

**FISCAL YEAR 2017
MONITORING REPORT
ON THE
FLORIDA DIVISION OF BLIND SERVICES
VOCATIONAL REHABILITATION
AND
SUPPORTED EMPLOYMENT PROGRAMS**



**U.S. Department of Education
Office of Special Education and
Rehabilitative Services
Rehabilitation Services Administration**

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SECTION 1: EXECUTIVE SUMMARY

A. Background

Section 107 of the Rehabilitation Act of 1973 (Rehabilitation Act), as amended by Title IV of the Workforce Innovation and Opportunity Act (WIOA), requires the Commissioner of the Rehabilitation Services Administration (RSA) to conduct annual reviews and periodic on-site monitoring of programs authorized under Title I of the Rehabilitation Act to determine whether a vocational rehabilitation (VR) agency is complying substantially with the provisions of its State Plan under section 101 of the Rehabilitation Act and with the evaluation standards and performance indicators established under section 106 subject to the performance accountability provisions described in section 116(b) of WIOA . In addition, the Commissioner must assess the degree to which VR agencies are complying with the assurances made in the State Plan Supplement for Supported Employment Services under Title VI of the Rehabilitation Act.

Through its monitoring of the State Vocational Rehabilitation Services program (VR program) and State Supported Employment Services program (Supported Employment program) administered by the Florida Division of Blind Services (FDBS) in Federal fiscal year (FFY) 2017, RSA:

Assessed the performance of the VR and the Supported Employment programs with respect to the achievement of quality employment outcomes for individuals with disabilities and those with the most significant disabilities, including students and youth with disabilities;

Identified strategies and corrective actions to improve program and fiscal performance related to the following focus areas:

- Performance of the VR program;
- Transition services, including pre-employment transition services, for students and youth with disabilities;
- Supported Employment program
- Allocation and Expenditure of VR program and Supported Employment program funds; and
- Joint WIOA Final Rule implementation.

In addition, RSA reviewed a sample of individual case service records to assess internal controls for the accuracy and validity of RSA-911 data and provided technical assistance to the VR agency to enable it to enhance its performance.

The nature and scope of this review and the process by which RSA carried out its monitoring activities, including the conduct of an on-site visit from April 17 through April 21, 2017, is described in detail in the Federal [FFY 2017 Vocational Rehabilitation Program Monitoring and Technical Assistance Guide](#).

B. Summary of Observations, Recommendations, and Findings

RSA's review of FDBS resulted in the observations and findings summarized below. The entire observations and findings, along with the recommendations and corrective actions that the agency can undertake to improve its performance, are contained within the sections of this report covering the focus areas to which they pertain. RSA compares FDBS' performance to the national performance for all agencies of similar type (i.e., FDBS' performance is compared to blind agencies in States that have a general and blind agency). This is for comparison only; there are no requirements for VR agencies to meet or exceed national performance levels.

Observations

- FDBS submitted inaccurate data through the annual RSA-911 report for FFYs 2014 through 2016.
- The number and percentage of eligible individuals who received services and did not achieve an employment outcome from FFY 2014 through FFY 2016 increased and remained above the national performance for agencies of similar type. In addition, the rehabilitation rate for eligible individuals who received services during this same period of time remained below the national rehabilitation rate.
- FDBS' data demonstrated a decrease in the percentage of employment outcomes for youth with disabilities, while the number of youth who received services increased.

Findings

- FDBS does not provide pre-employment transition services to students who are potentially eligible for VR services in accordance with 34 CFR §361.48(a).
- FDBS did not satisfy the personnel cost allocation requirements in the Uniform Guidance at 2 CFR §200.430(i).
- FDBS did not meet the prior approval requirements pursuant to the Uniform Guidance (2 CFR §200.407) or the requirement to have written procedures for determining the allowability of costs in accordance with Subpart E – Cost Principles within the Uniform Guidance (2 CFR §200.302(b)(7)).
- FDBS does not maintain effective internal controls over the Federal awards that provide reasonable assurances that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award, as required by 34 CFR §361.12 and 2 CFR §200.303.
 - FDBS did not demonstrate the agency has established and maintained written policies that govern the rates of payment for all purchased VR services, as required by 34 CFR §361.50(c)(1), and ensure that fees are allowable, reasonable, necessary, and allocable, as required by Federal cost principles in Uniform Guidance.
 - FDBS did not satisfy the requirements in 34 CFR §361.12, 34 CFR §76.702, and 2 CFR §200.302 to establish sufficient internal controls to accurately account for and report the financial results of all Federally-assisted activities, because the agency was not accurately reporting all Federal and non-Federal expenditures

incurred by the agency in the Supported Employment program on the RSA-2 and SF-425 reports.

- FDDBS did not meet the joint one-stop requirements in 34 CFR part 361, subpart F, related to memorandum of understanding (MOU) and infrastructure cost requirements.

C. Summary of Technical Assistance

During the review process, RSA provided technical assistance to FDDBS:

- RSA explained the mandatory components of the individualized plan for employment (IPE), including the requirement that the IPE contain a specific employment goal consistent with the general goal of competitive integrated employment.
- RSA and FDDBS discussed the statutory and regulatory requirements of the SEA agreement, as described in 34 CFR §361.22(b), and the need for FDDBS to incorporate the requirements into the final SEA agreement.
- RSA clarified the new definitions and requirements related to pre-employment transition services and students with disabilities under the Rehabilitation Act, as amended by Title IV of WIOA, that require policy revisions and development of new policies.
- RSA discussed pre-employment transition services, including the required, authorized and coordination activities described in section 113(b)-(d) of the Rehabilitation Act, as amended by Title IV of WIOA, and 34 CFR §361.48(a)(2)-(4). RSA clarified that required, authorized, and pre-employment transition coordination activities may be provided or arranged concurrently, as long as an agency can demonstrate that it identified the number of potential individuals eligible for pre-employment transition services and the funds necessary to provide the required activities.
- RSA provided technical assistance regarding tracking and reporting requirements for the provision of pre-employment transition services, including data for students with disabilities who are potentially eligible for VR services, and the need for proper internal controls.
- RSA clarified those services provided to students with disabilities through CRP contracts that constitute pre-employment transition service required activities.
- FDDBS and the WINTAC developed an Intensive Technical Assistance agreement that included assistance with the development and finalization of supported employment policies and procedures.
- RSA provided technical assistance to FDDBS that any costs for VR services provided prior to a consumer entering into a supported employment placement must be paid for with title I VR funding and may not be paid for with title VI supported employment funding, which may only be used after the individual has obtained the supported employment placement and is receiving services during the 24-month ongoing support period.
- The exclusion of administrative expenditures for pre-employment transition services and supported employment reserve purposes is applicable to administrative costs directly incurred by the DSU. RSA has determined that reasonable and allocable fees that are part of a contract for the provision of pre-employment transition services or supported employment services, including extended services, to youth with the most significant disabilities may be included and reported as allowable reserve expenditures.

- RSA informed FDDBS that program income includes any payments received by the VR agency for payments from financial participation of consumers for the provision of their services, in accordance with 34 CFR §361.63(b) and the SF-425 instructions for the VR program (RSA-PD-15-05).
- RSA reminded FDDBS to include both Federal and non-Federal expenditure data on the RSA-2 Schedules I and III for VR and supported employment expenditures and service categories, respectively.
- RSA informed FDDBS about the process to sign up for the RSA fiscal listserv to receive RSA updates on pertinent fiscal information, technical assistance and guidance.
- RSA advised FDDBS of the requirements involving representation on the State Workforce Development Board by the lead State officials with primary responsibility for programs authorized under the Rehabilitation Act, as amended by title IV of WIOA.

D. Review Team Participants

Members of the RSA review team included Christyne Cavataio , Jim Doyle , Samuel Pierre and Beth Settle (Vocational Rehabilitation Program Unit); Craig McManus (Fiscal Unit); Jason Hunter (Technical Assistance Unit); and Rimal Desai (Data Collection and Analysis Unit). Although not all team members participated in the on-site visit, each contributed to the gathering and analysis of information, along with the development of this report.

E. Acknowledgements

RSA wishes to express appreciation to the representatives of FDDBS for the cooperation and assistance extended throughout the monitoring process.

SECTION 2: FOCUS AREA – PERFORMANCE OF THE VOCATIONAL REHABILITATION PROGRAM

A. Nature and Scope

Through implementation of this focus area, RSA assessed the achievement of quality employment outcomes by individuals with disabilities served in the VR program by conducting an in-depth and integrated analysis of core VR program data and review of individual case service records. The analysis represents a broad overview of the VR program administered by FDBS and included employment outcomes in competitive integrated employment and supported employment. It should not be construed as a definitive or exhaustive review of all available VR program data. The data generally measure performance based on individuals who exited the VR program during the most recently completed three-year period for which data are available. Consequently, the tables do not provide complete information that could otherwise be derived from examining open service records. The analysis includes the number of individuals participating in the various stages of the VR process; the number and quality of employment outcomes; the services provided to eligible individuals; the types of disabilities experienced by individuals receiving services; and the amount of time individuals are engaged in the various stages of the VR process, including eligibility determination, development of the individualized plan for employment (IPE), and the provision of services. RSA also reviewed policies and procedures related to internal controls necessary for the verification of data and compared the performance of FDBS with that of all VR agencies of similar type (i.e., blind agencies).

In addition to data tables, the review team used a variety of other resources to better understand the performance trends indicated by the outcomes measured. Other resources included, but were not limited to:

Agency policies and procedures related to the provision of transition and pre-employment transition services, competitive integrated employment, and supported employment services; and Description in the VR services portion of the program year 2016 Unified State Plan describing goals and priorities pertaining to the performance of the VR program.

The review team shared the data with the VR agency prior to the on-site visit and solicited information throughout the review process explaining the performance trends demonstrated by the data. Specifically, the review team met with:

- The VR agency director;
- VR agency managers and supervisors;
- VR counselors;
- VR agency personnel; and
- Representatives of the SRC, theCAP, and other VR program stakeholders.

In addition to a review of the RSA-911 and RSA-113 data provided by the VR agency, RSA conducted a review of individual case service records. RSA provided guidelines to the VR agency prior to the on-site visit. The review team discussed the selection of service records with

FDDBS and the method it uses to maintain records. RSA used the information obtained through the review of service records to assess FDDBS' internal controls for the accuracy and validity of RSA-911 data.

The review team provided technical assistance on the WIOA joint performance accountability measures established in section 116(b) of WIOA. RSA did not issue compliance findings on these measures. However, the review team and VR agency used these measures to discuss the potential effect of the joint performance accountability measures on the State and agency level performance.

RSA provided additional technical assistance to the VR agency during the course of monitoring to enable it to improve programmatic performance.

B. Overview

RSA reviewed FDDBS' performance during FFYs 2014, 2015, and 2016, with particular attention given to the number and quality of outcomes achieved by individuals with disabilities in the State. Additionally, the review addressed the number of individuals who were determined eligible for VR services and who received services through the VR program. The data used in this review were provided by FDDBS to RSA on the Quarterly Cumulative Caseload Report (RSA-113) and the Case Service Report (RSA-911).

The VR Process

The total number of applicants remained fairly consistent from FFY 2014 through FFY 2016, decreasing slightly from 2,224 individuals in FFY 2014 to 2,125 in FFY 2016. During this same period, the number of individuals determined eligible for VR services decreased slightly, from 1,616 individuals in FFY 2014 to 1,477 individuals in FFY 2016. Conversely, the total number of individuals in a plan receiving services increased slightly, from 4,131 individuals in FFY 2014, to 4,149 individuals in FFY 2016. As a result, the percentage of individuals accepted for services who received no services declined from FFY 2014 through FFY 2016, or from 9.5 percent to 7.3 percent, which is below the national performance for similar agencies of 10.4 percent.

Employment Outcomes

The number of individuals who exited with employment outcomes increased from 721 individuals in FFY 2014 to 813 individuals in FFY 2016. Although the number of individuals who exited the program with employment has increased, this represents approximately the same percentage of all individuals who exited the program from FFY 2014 to FFY 2016, from 38.3 percent to 39.5 percent, respectively, which is lower than the national performance for similar agencies of 47.3 percent for FFY 2016.

In addition, the number of individuals who exited the program without employment increased from 512 individuals in FFY 2014, or 27.2 percent, to 638 individuals in FFY 2016, or 31 percent, which is above the national performance for similar agencies of 24.6 percent for FFY 2016. As a result of the increased number of individuals who exited with an employment outcome and the number of individuals who exited without an employment outcome, the employment rate for FDDBS remained relatively the same, decreasing slightly from 58.5 percent

in FFY 2014 to 56 percent in FFY 2016, compared to 65.8 percent for the national performance for similar agencies in FFY 2016.

The average hourly earnings for individuals competitively employed increased from FFY 2014 through FFY 2015, from \$13.75 to \$14.42 per hour, but decreased in FFY 2016 to \$14.22 per hour, which is below the national performance for similar agencies at \$15.61 in FFY 2016. During this same period, the average hours worked per week increased slightly, from 29.81 to 30.26, compared to the national performance of 31.2 hours in FFY 2016.

FDDBS did not report any supported employment outcomes from FFY 2014 through FFY 2016.

VR Services Provided

The total number of individuals whose service records were closed after receiving VR services increased from 1,233 individuals in FFY 2014 to 1,451 individuals in FFY 2016. Of the individuals whose cases were closed after receiving services, FDDBS reported that no individuals received college or university training from FFY 2014 through FFY 2016. During this same period, the percentage of individuals who received four-year or university training increased from 2.1 percent in FFY 2014 to 8.4 percent in FFY 2016, compared to 10.1 percent for the national performance for similar agencies in FFY 2016. In addition, FDDBS reported that no individuals received junior or community college education from FFY 2014 through FFY 2016. Although FDDBS reported a decline in the percentage of individuals who received occupational or vocational training from FFY 2014 through FFY 2016, from 30.7 percent to 25.3 percent, this remains significantly higher than the national average for similar agencies of 12.5 percent in FFY 2016.

FDDBS reported an increase in the percentage of individuals who received on-the-job training, from 0.4 percent in FFY 2014 to 1.6 percent in FFY 2016; job readiness training, from 7.7 percent in FFY 2014 to 19 percent in FFY 2016; and disability-related skills training, from 19.1 percent in FFY 2014 to 41.5 percent in FFY 2016. Conversely, FDDBS reported a decrease in the percentage of individuals who received job search assistance, from 24 percent in FFY 2014 to 7.1 percent in FFY 2016; and job placement assistance, from 25.4 percent in FFY 2014 to 9 percent in FFY 2016. Finally, FDDBS reported that no individuals received services from FFY 2014 through FFY 2016 in apprenticeship training, benefits counseling, and customized employment services.

Length of Time in Stages of the VR Process

Of the individuals who were determined eligible for VR services, FDDBS reported that 90.8 percent of all individuals were determined eligible within 60 days. The percentage increased to 91.8 percent in FFY 2015 for all individuals determined eligible and remained at 91 percent for FFY 2016, compared to the national performance in FFY 2016 of 89.6 percent. From FFY 2014 through FFY 2016, the percentage of individuals whose individualized plans for employment (IPE) were developed within 90 days from the date of eligibility remained consistently high, increasing slightly from 97.7 percent in FFY 2014 to 98.2 percent in FFY 2016. This is significantly above the national performance for similar agencies of 81.9 percent in FFY 2016.

Standard Occupational Classification Codes for Individuals Who Achieved Employment Outcomes

A review of the employment outcomes, categorized by the Standard Occupational Classification codes, demonstrated that 18.1 percent of the employment outcomes were within the office and administrative support occupations in FFY 2016, with median hourly earnings of \$10.00. The second most common occupational code reported by FDBS was sales and related occupations at 9 percent of the individuals employed, with median hourly earnings of \$10.80, followed by 7.7 percent of the individuals employed in education, training and library occupations, with median hourly earnings of \$16.25. In addition, FDBS has seen an increase in the percentage of outcomes closed as homemakers, from no individuals reported for FY 2014, to 2.2 percent in FFY 2015, to seven percent in FFY 2016, compared to 11.7 percent in FFY 2016 for the national performance for similar agencies.

Service Record Reviews

During the on-site portion of the review, RSA conducted a service record review of 30 service records comprised of service records for individuals whose cases were closed prior to September 30, 2016, after receiving services. The service record review was conducted to verify and ensure that the documentation in the service record was accurate, complete, and supported the data entered into the RSA-911 with respect to the date of application, date of eligibility determination, date of IPE, start date of employment in primary occupation at exit or closure, hourly wage at exit or closure, employment status at exit or closure, type of exit or closure, and date of exit or closure.

The service record reviews were conducted by two RSA representatives and two FDBS staff, who assisted during the review process. Each case service record was maintained in the agency's electronic case management system accompanied by a hard copy file. The service records were evenly divided among the reviewers and several cases were randomly chosen to compare the results from each reviewer as part of an interrater reliability check.

Of the 30 cases requested, 14 service records were those of individuals who achieved employment and 16 were those of individuals who did not achieve employment after receiving services. Of the 30 service records reviewed, 27 service records, or 90 percent, contained a verified 60-day eligibility date with supporting documentation. In addition, 25, or 83 percent of the service records, contained the necessary supporting documentation for the date of the IPE. Also, 12 of the 14 service records for individuals who achieved employment, or 86 percent, included the start date of employment for the individual's primary occupation. Of these 14 service records, 14 contained the proper supporting documentation for the employment status at closure and the weekly earnings at employment, or 100 percent. For each of the 30 service records, all 30 contained supporting documentation for the type of closure, or 100 percent of the records. Finally, 29 service records, or 97 percent, included the proper documentation to support the date of closure, as reported in the RSA-911 report.

C. Analysis of Performance and Observations

RSA's review and analysis of the performance of FDBS in this focus area resulted in the following observations.

2.1 Data Accuracy

Observation: FDBS submitted inaccurate data through the annual RSA-911 report for FFYs 2014 through 2016.

From FFY 2014 through FFY 2016, FDBS did not report any supported employment outcomes through the RSA-911. Prior to the on-site portion of the review, RSA provided FDBS tables containing data from the RSA-911 reports submitted by FDBS for FFYs 2014, 2015, and 2016. These tables showed that FDBS did not report any supported employment services or outcomes for the entire period. RSA arranged teleconference calls with FDBS for each of the focus areas, including the Supported Employment Program, prior to the on-site portion of the review. During the teleconference call, FDBS indicated that it was unaware of any problems with the data reported to RSA for the Supported Employment program. FDBS later determined the issue with the data reported was due to an error identified in the case management system. FDBS corrected the error and provided RSA the Supported Employment data from its case management system for FFY 2014 through FFY 2016. Because RSA could not verify these data, the information could not be used for this report.

In addition, FDBS reported multiple data errors attributed to user error. Specifically, upon review of the training, career, and other services provided to individuals whose cases were closed during FFY 2014 through FFY 2016, multiple service categories were reported as having no individuals who received the services. In addition to supported employment on-the-job supports, FDBS reported that no individuals received college or university training, junior or community college training, apprenticeship training, benefits counseling, or customized employment. FDBS indicated these services are being provided to individuals, but the VR counselors are not coding the correct services in the case management system. For example, if a consumer is attending graduate school, the counselor is coding the service as four-year or university training instead of college or university training. In addition, FDBS believes some of the services are not being reported because the service is included as part of other services provided through contracts with CRPs.

2.2 Employment Outcomes

Observation: The number and percentage of eligible individuals who received services and did not achieve an employment outcome from FFY 2014 through FFY 2016 increased and remained above the national performance for agencies of similar type. In addition, the rehabilitation rate for eligible individuals who received services during this same period of time remained below the national rehabilitation rate.

From FFY 2014 to FFY 2016, the number of individuals who exited without an employment outcome increased from 512 individuals, or 27.2 percent of all closures, to 638 individuals, or 31 percent, which is above the national average for similar agencies at 24.6 percent in FFY 2016.

During this same period, FDBS' employment rate decreased from 58.5 percent in FFY 2014 to 56 percent in FFY 2016, compared to 65.8 percent for the national performance for similar agencies.

In addition, FDBS' average hourly wage was below the national performance for similar agencies. In FFY 2016, the average hourly earnings for individuals competitively employed were \$14.22, compared to \$15.61 for the national performance for similar agencies. From FFY 2014 through FFY 2015, FDBS reported an increase in the average hourly earnings from \$13.75 to \$14.42. In FFY 2016, FDBS' average hourly earnings decreased to \$14.22.

D. Recommendations

RSA's review of the performance of the VR program in this focus area resulted in the following recommendations. Appendix C of this report indicates whether or not the agency has requested technical assistance to enable it to implement any of the below recommendations.

RSA recommends that FDBS:

2.1 Data Accuracy

- 2.1.1 Using the feedback provided during the course of the monitoring process and an internal inspection of the agency's data, identify all areas that may not be entered or coded correctly by staff;
- 2.1.2 Develop a training curriculum to address the proper coding of services and entry of these services in the case management system and provide this training to all staff;
- 2.1.3 Develop internal controls that provide for the inspection and evaluation of the accuracy of all data prior to submission to RSA;
- 2.1.4 Following the inspection of the data using the internal controls process, correct any errors or anomalies identified; and
- 2.1.5 Make the necessary changes to the case management system following the identification of any system or programming errors.

2.2 Employment Outcomes

- 2.2.1 Evaluate the reasons eligible individuals are exiting the program without achieving their vocational goal;
- 2.2.2 Evaluate the provision of services and determine whether individuals are receiving the necessary services to achieve quality employment;
- 2.2.3 Following the assessment, establish strategies and goals to address any barriers that may lead to individuals either exiting the program prior to employment or not achieving quality employment; and
- 2.2.4 After implementing strategies and goals to address this issue, develop and provide training to staff, and assess the effect of these changes and modify as necessary.

E. Corrective Actions to Improve Performance

RSA's review of the performance of the VR program in this focus area did not result in the identification of any corrective actions.

F. Technical Assistance

During the course of monitoring activities, RSA provided technical assistance to FDBS as described below.

Development of Individualized Plans for Employment

From FFY 2014 through FFY 2016, FDBS maintained a high percentage of individuals with an approved IPE within the 90-day required time frame. FDBS' policies require that all IPEs are developed and approved within 60 days. To achieve this standard, FDBS reported that VR counselors sometimes develop an interim plan with the individual using a more generalized vocational goal with the intent to complete any necessary assessments and amend the individual's IPE within the first year of receiving services. FDBS indicated this process is used for eligible individuals of all ages served by FDBS, as opposed to limiting this approach to students enrolled in secondary education.

- Pursuant to section 102(b)(1) of the Rehabilitation Act, prior to the development of the IPE, "the designated State unit shall complete the assessment for determining eligibility and VR needs, as appropriate" to ensure the individual is able to exercise informed choice in the development of his or her vocational plan. Furthermore, section 102(b)(4)(A) of the Rehabilitation Act requires the IPE to include "a description of the specific employment outcome that is chosen by the eligible individual consistent with the general goal of competitive integrated employment and the unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the eligible individual." The exception included in this same section of the Rehabilitation Act is the allowance for a projected vocational goal to be developed for students eligible for VR services.
- FDBS should revise its current policies and procedures to ensure the development of an IPE includes the mandatory components specified in section 102 of the Rehabilitation Act and 34 CFR §361.46(a), including a specific employment goal consistent with the general goal of competitive integrated employment. FDBS also should ensure that all VR counselors are trained on this requirement.

SECTION 3: FOCUS AREA – TRANSITION SERVICES, INCLUDING PRE-EMPLOYMENT TRANSITION SERVICES FOR STUDENTS AND YOUTH WITH DISABILITIES

A. Nature and Scope

Through the implementation of this focus area, RSA assessed the VR agency performance and technical assistance needs related to the provision of transition services, including pre-employment transition services, to students and youth with disabilities and the employment outcomes achieved by these individuals. For purposes of the VR program, “transition services” are defined as a coordinated set of activities for a student or youth with a disability, designed within an outcome-oriented process that promotes movement from school to post-school activities, including post-secondary education, vocational training, competitive integrated employment, supported employment, continuing and adult education, adult services, independent living, or community participation.

The Rehabilitation Act, as amended by WIOA, places heightened emphasis on the provision of services, including pre-employment transition services, to students and youth with disabilities to ensure they have meaningful opportunities to receive training and other services necessary to achieve employment outcomes in competitive integrated employment. Pre-employment transition services are designed to help students with disabilities to begin to identify career interests that will be explored further through additional vocational rehabilitation services, such as transition services.

“Pre-employment transition services,” defined in section 7(30) of the Rehabilitation Act and 34 CFR §361.5(c) (42), include both required activities and authorized activities specified in section 113 of the Rehabilitation Act and in 34 CFR §361.48(a). Pre-employment transition services also include pre-employment transition coordination activities. Section 113(a) of the Rehabilitation Act requires that VR agencies provide, or arrange for the provision of, pre-employment transition services to students with disabilities who are eligible or potentially eligible for VR services. The term “potentially eligible” is specific to the provision of pre-employment transition services but is not defined in the Rehabilitation Act. A “student with a disability,” as defined in section 7(37) of the Rehabilitation Act and 34 CFR §361.5(c) (51), includes the minimum age for the receipt of pre-employment transition services, the minimum age for the provision of transition services under IDEA, and the maximum age for the receipt of services under IDEA; thus, the implementing definition of “student with a disability” may vary from State to State.

“Youth with a disability” is defined in section 7(42) of the Rehabilitation Act and in 34 CFR §361.5(c) (58) as an individual with a disability who is age 14 through 24. The distinction between the definitions of “student with a disability” and “youth with a disability” is critical for purposes of the various authorities for providing transition-related services, including pre-employment transition services.

During the monitoring process, RSA and the VR agency jointly reviewed applicable data and documentation related to transition and pre-employment transition services, which included:

- State educational agency (SEA) and local educational agency (LEA) agreements;
- Policies related to the provision of transition services, including pre-employment transition services;
- Sample third-party cooperative arrangement contracts for the provision of pre-employment transition services;
- An on-the-job training agreement;
- Assurance 4(c) and descriptions (j), (m), and (o), and any other relevant information from the most recently submitted VR services portion of the Unified or Combined State Plan;
- Federal Financial Report (SF-425) reporting procedures, especially as those procedures relate to the proper accounting and reporting of expenditures with funds reserved under section 110(d)(1) of the Rehabilitation Act for the provision of pre-employment transition services for students with disabilities;
- Supporting documentation for expenditures incurred with funds reserved for the provision of pre-employment transition services and reported in line 12b of the SF-425; and
- Updated policies or procedures for tracking expenditures for the provision of pre-employment transition services for 1) purchased services and services provided by VR agency personnel; and 2) related procedures to exclude administrative costs from expenditures paid with funds reserved under section 110(d) (1) for the provision of pre-employment transition services (section 110(d) (2) of the Rehabilitation Act prohibits such costs from being paid for with funds reserved under section 110(d)(1)).

In gathering information related to the provision of transition services, including pre-employment transition services, RSA consulted:

- The VR agency director and other senior managers;
- VR agency fiscal officers and staff;
- VR agency counselors;
- VR agency transition coordinators and staff;
- Educational agencies; and
- Service providers.

B. Overview

FDBS provides pre-employment transition services to students with disabilities ages 14-22 who have applied for VR services through FDBS staff, and with CRPs for those students who are potentially eligible or eligible for VR services. CRPs provide pre-employment transition services to students who have applied for VR services. In an effort to make additional services available, FDBS has focused its efforts on increasing the available provider options statewide for the five required activities in Florida's 67 school districts. During the on-site portion of the review, RSA and FDBS discussed the five required activities and the types of services and activities provided to students with disabilities in the State of Florida.

FDBS receives referrals of students with disabilities from the Florida Department of Education (FDOE) Bureau of Exceptional Education and Student Services (BEESS). The BEESS

administers programs for students with disabilities and coordinates student services throughout the State. The BEESS collaborates with multiple agencies such as FDBS in an effort to strengthen the quality and variety of services available to students with disabilities. In addition to referrals from the BEESS, FDBS also receives referrals from school personnel including, but not limited to, teachers, school psychologists, counselors, and individualized education plan (IEP) teams, or self-referrals.

FDBS has a Statewide transition liaison that trains and coordinates pre-employment transition services and transition services to VR and LEA staff, students, and families throughout the state. This dedicated staff member also facilitates outreach, establishes partnerships, and coordinates across the Agency to address challenges with implementing pre-employment transition services. In addition, VR counselors routinely participate in IPE meetings and present at applicable school-sponsored events in local school districts and their surrounding communities. FDBS will continue its outreach activities in order to target all students with disabilities. At the time of the on-site review, FDBS stated that it had not provided any of the nine authorized activities. RSA reviewed the statutory and regulatory requirements related to the provision of the nine authorized activities as described in section 113 of the Rehabilitation Act and 34 CFR §361.48(a)(2) with FDBS. At the time of the onsite visit, FDBS' efforts were focused on providing the required activities in accordance with section 113 of the Rehabilitation Act and 34 CFR §361.48(a)(2).

The agency acknowledged the need to revise its policy manual and is in the process of revising its policies in conjunction with the WINTAC and RSA to meet the new requirements in section 113 of the Rehabilitation Act and 34 CFR §361.48(a). While FDBS is revising its policies and procedures, the agency has developed a communications plan and maintained regular communication with field staff and partners in order to inform them of the changes and new requirements as a result of WIOA. FDBS has provided training on the Federal requirements related to providing pre-employment transition services to its staff, CRPs, and LEAs.

FDBS is timely with regard to its eligibility determination and development of IPEs for youth with disabilities. The percentage of eligibility determinations for youth with disabilities made within the 60-day Federal standard increased from 85.21 percent in FFY 2014 to 89.52 percent in FFY 2016, which was higher than the national performance of 86.45 percent in FFY 2016. In addition, from FFY 2014 to FFY 2016, the percentage of IPEs developed within 90 days of eligibility determination increased from 93.84 percent to 98.38 percent, which was above the national performance of 67.61 percent in FFY 2016.

With regard to services provided for youth with Disabilities under Age 25, FDBS' performance was significantly higher than the national performance of similar agencies for youth with disabilities who received: occupational or vocational training, assessments, diagnosis and treatment of impairment services, VR counseling and guidance, job search assistance, transportation, and rehabilitation technology services.

In FFY 2016, the services most often provided to youth included:

- Four-year college or university training was provided to 22.70 percent of youth (an increase from 7.50 percent in FFY 2014);
- Occupational or vocational training was provided to 51.90 percent of youth, compared to the national performance of 25.60 percent;

- Assessment services were provided to 80.50 percent of youth, compared to the national performance of 72.90 percent;
- Diagnosis and treatment of impairment services were provided to 68.60 percent of youth, compared to the national performance of 52.80 percent;
- VR counseling and guidance was provided to 99.50 percent of youth, compared to the national performance of 84.20 percent;
- Job search assistance was provided to 25.40 percent of youth, compared to the national performance of 15.50 percent;
- Transportation was provided to 81.10 percent of youth, compared to the national performance of 53.00 percent; and
- Rehabilitation technology was provided to 89.20 percent of youth, compared to the national performance of 71.80 percent.

C. Analysis of Performance and Observations

RSA's review and analysis of the performance of FDBS in this focus area resulted in the following observations.

3.1 Employment Outcomes for Youth with Disabilities under the Age of 25 at Exit

Observation: FDBS' data demonstrated a decrease in the percentage of employment outcomes for youth with disabilities, while the number of youth who received services increased.

- The total number of youth with disabilities receiving services under an IPE increased during the review period, from 218 to 299 in FFY 2016.
- The percentage of youth with disabilities who exited with employment decreased from 24.22 percent in FFY 2015 to 18.37 percent in FFY 2016.
- The percentage of youth with disabilities who exited without employment in FFY 2016 was 43.14 percent, which was greater than the national performance of 32.14 percent.
- The employment rate for youth decreased from 34.25 percent in FFY 2014 to 30.27 percent in FFY 2016, which was lower than the national performance of 48.50 percent.
- The percentage of youth with disabilities who achieve competitive employment outcomes decreased from FFY 2014 at 22.48 percent, to 18.39 percent in FFY 2016, which is lower than the national performance of 29.28 percent.
- For youth with disabilities who achieved an employment outcome, the average hourly earnings decreased from \$11.76 in FFY 2014, to \$11.18 in FFY 2016, which is below the national performance of \$13.05 in FFY 2016.

D. Recommendations

RSA's review of the performance of the VR program in this focus area resulted in the following recommendations. Appendix C of this report indicates whether or not the agency has requested technical assistance to enable it to implement any of the below recommendations.

RSA recommends that FDBS:

3.1 Youth with Disabilities at Exit

- 3.1.1 Develop measurable goals to increase the number of youth with disabilities served, the number who achieve employment outcomes, and the employment rate, along with strategies to achieve these goals; and
- 3.1.2 Analyze and evaluate the competitive employment outcomes achieved by youth with disabilities, including the provision of VR services for youth with disabilities, to determine how FDBS can maximize employment outcomes.

E. Findings and Corrective Actions to Improve Performance

RSA's review of the performance of the VR program in this focus area resulted in the identification of the following finding and corrective action to improve performance. Appendix C of this report indicates whether or not the agency has requested technical assistance to enable it to implement any of the below corrective actions.

3.1 Pre-Employment Transition Services to Potentially Eligible Students with Disabilities

Issue: Does FDBS provide pre-employment transition services to students who are potentially eligible for VR services in accordance with 34 CFR §361.48(a).

Requirement: In accordance with 34 CFR §361.48(a)(1), pre-employment transition services must be made available Statewide to all students with disabilities, regardless of whether the student has applied or been determined eligible for VR services.302.

Analysis: The term “potentially eligible” as used in section 113 of the Rehabilitation Act is specific to the provision of pre-employment transition services but is not defined in the Rehabilitation Act. The regulations in 34 CFR §361.48(a)(1) clarify that all students with disabilities, regardless of whether or not they have applied or been determined eligible for the VR services, are potentially eligible to receive pre-employment transition services.

RSA discussed the need for FDBS to develop a system to report on all students with disabilities receiving pre-employment transition services throughout the State. Specifically, agencies are required to identify all pre-employment transition service required activities provided to a student with a disability, the total amount expended for each purchased required activity, who provided the service, and the dates of the service, in accordance with the instruction manual for the RSA-911 in Policy Directive (PD) 16-04 and 2 CFR §200.302.

During the on-site portion of the review, the agency informed the RSA team that its case management system is unable to track students who have not applied or been determined eligible for VR services. FDBS reported that due to the system's limitations, pre-employment transition services and expenditures can only be tracked for students who have applied and been determined eligible for services. As a result, FDBS has required all students with disabilities to apply for VR services prior to receiving pre-employment transition services.

RSA discussed the process FDBS uses to collect and track data for the provision of pre-employment transition services to students with disabilities who have already applied for VR

services. Data for students with disabilities are entered into FDDBS' case management system once the individual submits an application for VR services, is determined eligible, and an IPE is developed before the student begins receiving pre-employment transition services.

For FDDBS to authorize a CRP to provide a pre-employment transition service required activity to a student with a disability through a contract, the service must be authorized on the student's IPE, which permits the CRP to view the approved IPE service through a service module available in FDDBS' case management system. The CRP may then provide IPE-approved services in accordance with its contract with FDDBS. Therefore, if a student with a disability who is potentially eligible for VR services has not applied for VR services, been determined eligible, and implemented an IPE with pre-employment transition services in FDDBS' case management system, FDDBS is unable to provide pre-employment transition services to the student through any of its CRPs.

During the on-site portion of the review, FDDBS stated that it will continue working with its contractor to revise its case management system to ensure it has the capacity to collect the required data for students with disabilities for the RSA-911 report, in accordance with PD 16-04.

Conclusion: As a result of the analysis, RSA determined that FDDBS is not in compliance with section 113 of the Rehabilitation Act and 34 CFR §361.48(a)(1) that require that VR agencies provide, or arrange for the provision of, pre-employment transition services to students with disabilities who are eligible or potentially eligible for VR services.

Corrective Action Steps:

RSA requires that FDDBS:

- 3.1.1 Make available all required pre-employment transition services activities to students with disabilities throughout the State who are potentially eligible for VR services, regardless of whether or not the student has applied or been determined eligible for VR services; and
- 3.1.2 Ensure that its case management system has the capacity to track and report programmatic and fiscal data for students with disabilities who are potentially eligible to receive pre-employment transition services.

F. Technical Assistance

During the course of monitoring activities, RSA provided technical assistance to FDDBS as described below.

- FDDBS reported its SEA agreement had not been revised to include the new requirements under the Act. At the time of the on-site review, the agency had been operating under a memorandum as a placeholder for the SEA agreement until the final agreement is developed and approved.

As a result of WIOA amendments to the Rehabilitation Act, VR program regulations specific to the interagency agreement described in 34 CFR §361.22(b) have been revised to incorporate:

- Pre-employment transition services in the interagency coordination of transition services;
- The provision of consultation and technical assistance to educational agencies through alternative means;
- Coordination necessary to satisfy documentation requirements set forth in 34 CFR part 397 with regard to students and youth seeking subminimum wage employment;
- An assurance that neither the SEA nor LEA will enter into a contract or other arrangement with an entity, as defined in 34 CFR §397.5(d), for the purpose of operating a program under which a youth with a disability is engaged in work compensated at subminimum wage; and
- The construction clause in section 101(c) of the Rehabilitation Act, as amended by WIOA.

FDDB currently is in the process of revising its SEA agreement. The WINTAC is assisting both VR agencies, FDDB and FDVR, in developing the SEA agreement. FDDB must ensure that all requirements of the formal agreement are met as defined in section 101(a)(11)(D) of the Rehabilitation Act and 34 CFR §361.22(b), including coordination and provision of pre-employment transition services in section 113 of the Rehabilitation Act and 34 CFR §361.48(a).

- The new definitions and requirements related to pre-employment transition services and students with disabilities under the Rehabilitation Act, as amended by Title IV of WIOA, require policy revisions and development of new policies. In addition, 34 CFR §361.50(a) requires VR agencies to develop and maintain written policies regarding the nature and scope of VR services specified in 34 CFR §361.48, which includes pre-employment transition services and transition services, and the criteria under which each service is provided. The policies must ensure that the provision of services is based on the rehabilitation needs of each individual and is consistent with the individual's informed choice.

At the time of the on-site portion of the review, FDDB did not have written policies in place regarding the provision of pre-employment transition services. With assistance from the WINTAC, FDDB submitted draft policies and procedures at the end of the monitoring period (June 30, 2017) that included the new definitions set forth in the Rehabilitation Act, including "pre-employment transition services," "student with a disability," and "youth with a disability" (34 CFR §§361.5(c)(42), 361.5(c)(51), and 361.5(c)(58), respectively). The policies will be reviewed by RSA to ensure they meet the necessary requirements of the Rehabilitation Act.

In addition, RSA discussed the definition of "a student with a disability" described in section 7(37)(B) of the Rehabilitation Act and 34 CFR §361.5(c)(51), which requires the student to be in a recognized education program and meet the minimum and maximum age for the provision of transition services provided under Florida State law, pursuant to the Individuals with Disabilities Education Act (IDEA).

FDDB and FDVR must agree on the minimum age for the receipt of transition services. VR agencies may provide pre-employment transition services to individuals who meet the definition of a "student with a disability." As such, these individuals must be enrolled in an

educational program and either meet the minimum age to receive transition services under IDEA, or the minimum age elected by a State to provide pre-employment transition services, which can be lower than the minimum age for services under IDEA, as well as the maximum age requirements in the definition of “student with a disability.”

- RSA discussed pre-employment transition services, including the required, authorized and coordination activities described in section 113(b)-(d) of the Rehabilitation Act, as amended by Title IV of WIOA, and 34 CFR §361.48(a)(2)-(4). RSA clarified that required, authorized, and pre-employment transition coordination activities may be provided or arranged concurrently, as long as an agency can demonstrate that it identified the number of potential individuals eligible for pre-employment transition services and the funds necessary to provide the required activities. FDBS reported that it is working toward providing the nine authorized activities involving the support of regional partnerships and local businesses to achieve its pre-employment transition services goals.
- RSA provided technical assistance regarding tracking and reporting requirements for the provision of pre-employment transition services, including students with disabilities who are potentially eligible for VR services, and the need for proper internal controls.
- RSA reviewed 17 contracts related to the provision of pre-employment transition services for FFY 2015 and FFY 2016. RSA identified a number of services that were not consistent with the five required activities such as job coaching, transportation, and assessments. In addition, FDBS provided inconsistent information about the process and entity responsible for identifying how services are determined to address student needs.

FDBS provided an overview and examples of authorizations developed for students with disabilities receiving pre-employment transition services through a contract. In addition, FDBS provided RSA the procedures used, including screen shots of its case management system as viewed by the CRPs that demonstrated what pre-employment transition services the CRP would provide to students. The authorization and the services included under Attachment F of all 17 contracts identified as pre-employment transition services included a number of services that are not consistent with the five required activities. For example, services include assessments, job coaching, job development, job placement and travel expenses. These services were described in the same attachment of the contract.

The CRP has discretion to provide some or all of the 15 services available through the contract to the student. The CRP identifies which services have been provided to the student through the case management system once the service is provided.

Based on this technical assistance, RSA recommends that FDBS revise the contracts with the CRPs to include only the five required activities listed in section 113(b) of the Rehabilitation Act and 34 CFR 361.48(a)(2). In addition, RSA suggests that FDBS review and revise, as appropriate, training protocols to ensure that students with disabilities are receiving appropriate pre-employment transition services, as determined in collaboration with the VR counselors and LEAs.

SECTION 4: FOCUS AREA – STATE SUPPORTED EMPLOYMENT SERVICES PROGRAM

A. Nature and Scope

Through this focus area, RSA assessed the Supported Employment program, authorized under title VI of the Rehabilitation Act, as amended by Title IV of WIOA, and regulations in 34 CFR part 363. The Supported Employment program provides grants to assist States in developing and implementing collaborative programs with appropriate entities to provide programs of supported employment services for individuals with the most significant disabilities, including youth with the most significant disabilities, to enable them to achieve a supported employment outcome in competitive integrated employment. Grants made under the Supported Employment program supplement grants issued to States under the VR program.

WIOA made several significant changes to title VI of the Rehabilitation Act that governs the Supported Employment program. The amendments to title VI are consistent with those made throughout the Rehabilitation Act to maximize the potential of individuals with disabilities, especially those individuals with the most significant disabilities, to achieve competitive integrated employment and to expand services for youth with the most significant disabilities.

The changes to the Supported Employment program made in the Rehabilitation Act, as amended by WIOA, covered in this focus area included:

- The extension of the time frame for the provision of supported employment services from 18 to 24 months (section 7(39)(C) of the Rehabilitation Act, 34 CFR §361.5(c)(54)(iii), and 34 CFR §363.50(b)(1));
- The requirement that supported employment must be in competitive integrated employment or, if not in competitive integrated employment, in an integrated setting in which the individual is working toward competitive integrated employment on a short-term basis (section 7(38) of the Rehabilitation Act, and 34 CFR §363.1);
- The requirement that supported employment funds and/or VR program funds be available for providing extended services to youth with the most significant disabilities for a period of time not to exceed four years, or until such time that a youth reaches the age of 25 and no longer meets the definition of “youth with a disability,” whichever occurs first (section 604(b) of the Rehabilitation Act and 34 CFR §363.4(a)(2)); and
- The reduction of the amount of funds that may be spent on administrative costs (section 606(b)(7)(H) of the Rehabilitation Act and 34 CFR §363.51).

To facilitate the provision of monitoring and technical assistance activities, and in preparation for the on-site visit, RSA and FDBS reviewed applicable documentation and resources related to the Supported Employment program, including, but not limited to:

- VR agency policies and procedures related to the provision of supported employment and extended services;

- Third-party cooperative arrangements and/or cooperative agreements with employers, State agencies, private nonprofit organizations, and other groups that fund extended services;
- Third-party cooperative arrangements and/or cooperative agreements with supported employment vendors and associated CRPs;
- Supported employment assurances 5, 6, and 7 and descriptions e, j.1.A, k.2.B, 1.2, n, o, p, and q and any additional information from the VR services portion of the most recently approved Unified State Plan;
- Procedures to limit expenditures on administrative costs to 2.5 percent of the State’s supported employment award; and
- Performance data related to the number and percentage of individuals with the most significant disabilities receiving supported employment services and achieving supported employment outcomes.

In gathering information related to this focus area, the review team consulted:

- The VR agency director and other senior managers;
- VR counselors;
- VR agency supported employment coordinators and staff;
- Supported employment vendors and associated CRPs;
- Entities with which the VR agency has third-party cooperative arrangements; and
- Entities with which the VR agency has agreements to fund extended services.

B. Overview

FDDB provides most supported employment services through the Conklin Center, a rehabilitation center for persons who are blind or visually impaired. Other supported employment services are provided through contracts with a variety of CRPs Statewide.

At the time of the review, FDDB’s supported employment policies and procedures were in draft form. RSA reviewed the draft policies and provided feedback, which FDDB incorporated into its current draft policies.

RSA provided clarification on the use of working toward competitive integrated employment on a short-term basis. FDDB reported that it has not provided extended services to youth with the most significant disabilities. The agency is developing procedures for VR counselors to address requirements for reporting a supported employment outcome, and the requirements that must be met prior to closing the supported employment service record.

C. Analysis of Performance Observations and Recommendations

RSA’s review and analysis of the performance of FDDB in this focus area did not result in any observations and recommendations.

D. Findings and Corrective Actions to Improve Performance

RSA's review of the performance of the VR program in this focus area did not result in the development of findings and corrective actions.

E. Technical Assistance

During the course of monitoring activities, RSA provided technical assistance to FDBS as described below.

- At the time of the on-site portion of the review, FDBS' policies consisted of excerpts from the Act and implementing regulations. These were reviewed by RSA and were not considered to constitute policies and procedures. The draft policies were not inclusive of all new requirements, including the provision of extended services to youth with the most significant disabilities. Revised policies were submitted to RSA with input provided by the SRC. After the review, FDBS and the WINTAC developed an Intensive Technical Assistance agreement for assistance with the development and finalization of supported employment policies and procedures. Revised policies then will be provided for public comment before implementation. Although revised policies had not been finalized, FDBS reported to RSA that some staff training has occurred on new requirements for supported employment. RSA and the WINTAC will continue to provide feedback and technical assistance as FDBS finalizes the policies and procedures for release to managers and field staff.

SECTION 5: FOCUS AREA – ALLOCATION AND EXPENDITURE OF STATE VOCATIONAL REHABILITATION SERVICES AND STATE SUPPORTED EMPLOYMENT SERVICES PROGRAM FUNDS

A. Nature and Scope

Through this focus area RSA assessed the fiscal accountability of the VR and Supported Employment programs to ensure funds are being used only for intended purposes; programs have sound internal controls and reliable reporting systems; FDBS is maximizing resources available for program needs; and funds support the achievement of employment outcomes for individuals with disabilities, including youth with disabilities and individuals with the most significant disabilities. RSA reviewed FDBS' adherence to Federal fiscal accountability requirements, which include both general administrative and program-specific requirements.

General administrative requirements refer to:

- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) located in 2 CFR part 200. These regulations establish the foundation of Federal cost principles and standards for determining costs for Federal awards while reducing the administrative burden on award recipients and guarding against the risk of waste and misuse of Federal funds;
- Education Department General Administrative Regulations (EDGAR) in 34 CFR part 76. These regulations are applicable to Department of Education (Department) grantees and establish uniform administrative rules for the Department's Federal grants to State administered programs; and
- Departmental and RSA guidance, including Policy Directives (PDs), Technical Assistance Circulars (TACs), Grant Bulletins, Frequently Asked Questions (FAQ), etc.

Program-specific requirements refer to the Rehabilitation Act and VR and Supported Employment program implementing regulations in 34 CFR part 361 and 34 CFR part 363, respectively. These requirements establish the specific provisions related to the administration and operation of the VR and Supported Employment programs.

In addition to the fiscal accountability requirements covered in this focus area, RSA reviewed fiscal requirements pertaining to the VR program funds reserved for the provision of pre-employment transition services (i.e., the prohibition against the use of these funds for administrative costs) and Supported Employment program funds (i.e., the limit on the use of these funds for administrative costs to 2.5 percent of the award to youth with the most significant disabilities). The nature and scope of this focus area did not include a review of the extent to which States have satisfied the requirements to reserve at least 15 percent of the Federal VR program award for expenditures on pre-employment transition services, to reserve 50 percent of Supported Employment program funds for services to youth with the most significant disabilities, and to provide a 10 percent match for this amount, or to track expenditures toward

these reserves. Instead, in FFY 2017, RSA provided technical assistance to, and reviewed the progress of, each State toward satisfying these requirements through other processes established by the State Monitoring and Program Improvement Division's (SMPID) Fiscal unit.

RSA used a variety of resources and documents from the period covering FFY 2014 through FFY 2016. If the issues identified included Federal fiscal years prior to 2014, RSA requested additional information within the statute of limitations. Resources and documentation included data maintained on RSA's Management Information System (MIS) generated from reports submitted by FDBS (e.g., Federal Financial Reports (SF-425), Annual VR Program/Cost Report (RSA-2), and the VR services portion of the program year 2016 Unified or Combined State Plan). These data were organized into a fiscal profile for each State and shared with the VR agency and served as a reference for discussions regarding the areas covered within this focus area.

The review team reviewed the following documents, as needed, to ensure adherence to accountability requirements (list is not exhaustive):

- A-133 audit findings and corrective actions;
- State/agency allocation/budget documents and annual fiscal reports;
- Agency policies, procedures, and forms (e.g., monitoring, personnel cost allocation, procurement, etc.);
- Documentation of obligations and expenditures, including contracts, purchase orders, invoices, etc.; and
- Grant award notifications, documentation of non-Federal share/match (e.g., interagency transfers, third-party cooperative arrangements (TPCAs), establishment projects, and private donations), maintenance of effort (MOE), and program income documentation.

Prior to conducting the review, RSA provided FDBS with a documentation request that included a list of the documentation that the agency needed to provide prior to the start of the review in a manner that enabled RSA to analyze the documents prior to the on-site visit. The review team requested additional supporting fiscal documents or clarifying information regarding Supported Employment program expenditures.

The degree to which the review team addressed each accountability requirement was dependent upon the individual circumstances of the agency. The review team analyzed the information obtained prior to the on-site visit by reviewing the documentation requested, conducting teleconferences, and examining RSA-MIS data to determine the level of review required for each component.

B. Overview

RSA reviewed FDBS' internal control policies and procedures for the allocation and expenditure of VR and Supported Employment program funds. One source of this information was a FFY 2016 audit conducted by the Office of the Inspector General from within the agency's designated State agency (DSA), the Florida Department of Education (FDOE). The audit documented multiple internal control findings, primarily related to deficiencies surrounding purchased service

authorizations, invoices, payments, required signatures, and supporting documentation. As a result of the audit findings, FDBS identified corrective actions and the agency is working toward resolution.

FDBS neither has policies for submitting prior approval requests of cost items to RSA as the Federal awarding agency, nor has it submitted any such prior approval requests during the period of time between implementation of Uniform Guidance and the on-site monitoring visit. This topic is addressed in another section of this focus area.

FDOE requires all agencies to utilize a sampling methodology to allocate personnel costs for individuals who work on more than one cost objective. There are two sets of instructions, one for employees and one for managers. Both sets of instructions identify the three months during the year when affected employees must track their time, and describe the process and methodology of completing the personnel activity reports in the time tracker program. The manner in which personnel allocation percentages from sampled months are adjusted to budgeted costs is described in another section of this focus area.

During FFY 2014 through FFY 2016, FDBS' non-Federal share expended for match in the VR program was generated from two sources: State appropriations that comprised the vast majority of the match at over 90 percent of total match each year; and Randolph-Sheppard set aside expenditures reported between 7.67 percent and 5.97 percent of total match during the three-year period.

FDBS neither implemented any TPCAs or establishment projects during the three-year review period, nor did it provide any policies or procedures for TPCAs or establishment or construction of CRPs.

Match, Maintenance of Effort and Federal Funds

FDBS' non-Federal share and MOE levels increased during FFYs 2014 through FFY 2016, from \$8,011,126 to \$8,429,353. The agency has neither incurred any MOE penalties, nor has it relinquished or requested additional reallocation funds during the review period.

Program Income and Carryover

The amount of program income generated in the VR program significantly increased from \$61,033 in FFY 2014 to \$528,831 in FFY 2016. Federal VR funds carried over as a percentage of the matched award have fluctuated during the review period, with a low of 35.14 percent and a high of 49.17 percent.

Agency Expenditure Data

FDBS spent 21.47 percent of total RSA-2 reported expenditures on services to groups in FFY 2014. However, the percentage has dropped significantly, reported at only 8.07 percent on the FFY 2016 RSA-2 report, notably due to a reduction in the transition consultation and technical assistance and the other services to groups categories.

C. Findings and Corrective Actions to Improve Performance

RSA's review of the performance of the VR program in this focus area resulted in the identification of the following findings and corrective actions to improve performance. Appendix C of this report indicates whether or not the agency has requested technical assistance to enable it to implement any of the below corrective actions.

5.1 Personnel Cost Allocation Budget Estimates Not Reconciled

Issue: Does FDBS meet personnel cost allocation requirements in accordance with 2 CFR §200.430. This area of review is included on pages 53 and 54 of the MTAG.

Requirement: In accordance with Uniform Guidance in 2 CFR §200.430(i)(1)(vii), charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed and must support the distribution of the employee's salaries or wages among specific activities or cost objectives if the employee works on more than one Federal award. In addition, 2 CFR §200.431(i)(1)(viii)(C) indicates that budget estimates, determined before the services are performed, alone do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes as long as the non-Federal entity's system of internal controls includes processes to review after-the-fact interim charges made to a Federal award based on budget estimates, and that necessary adjustments must be made such that the final amount charged to the Federal award is accurate, allowable, and properly allocated.

Analysis: The Florida Department of Education (FDOE), the designated State agency (DSA) for FDBS, developed and implemented managerial and employee instructions for tracking, allocating and reporting personnel costs for all agencies under its purview, including FDBS. RSA's review of the managerial instructions revealed a methodology in which the three months of October, February and April are selected as reporting months throughout the year. Employees who work on multiple cost objectives track their time spent on each cost objective for each month through personnel activity reports (PARs). The agency utilizes PAR data from the three reporting months to budget and allocate personnel costs for the other nine months and charge the costs to fund sources. Data from PARs collected from October and February are used to adjust budget estimates from previous months with after-the-fact data and allocate and charge personnel costs to cost objectives and Federal awards. However, data from April PARs are utilized for allocating personnel costs for the future months of May and June. This practice represents the use of budget estimates as support for charges to Federal awards and does not result in an after-the-fact review of the May and June estimates. Therefore, the use of April PARs to allocate and charge personnel costs to Federal awards for May and June is not consistent with Uniform Guidance requirements for allocating and charging personnel time.

Conclusion: As a result of this analysis, FDBS did not satisfy the personnel cost allocation requirements in the Uniform Guidance at 2 CFR §200.430(i), because the agency was improperly charging salary expenses for staff working on the VR and other programs based upon budget estimates, which were also not reconciled to actual costs after the fact. Unallowable costs charged to the VR program that were inconsistent with the Uniform Requirements represent questioned VR program costs.

Corrective Action Steps:

RSA requires that FDBS:

5.1.1 Cease charging personnel and fringe expenditures to the VR award based upon budget estimates alone, and ensure interim accounting of budget estimates are reconciled with after-the-fact personnel allocation data; and

5.1.2 Revise and implement managerial Personnel Activity Reporting System instructions to correctly allocate personnel costs, including fringe, to the correct funding source based upon an after-the-fact reconciliation of budget estimates consistent with Uniform Guidance.

5.2 Prior Approval Not Obtained

Issue: Did FDBS meet the prior approval requirements in accordance with 2 CFR §200.407 and §200.439. This area of review is included on page 53 of the MTAG.

Requirement: The Uniform Guidance at 2 CFR §200.407 includes a list of specific circumstances for which prior approval from the Federal awarding agency in advance of the occurrence is either required for allowability or recommended in order to avoid subsequent disallowance or dispute based on the unreasonableness or nonallocability. For example, 2 CFR §200.439(b)(1) states that capital expenditures for general purpose equipment, buildings, and land are unallowable as direct charges, except with the prior written approval of the Federal awarding or pass through entity. The Uniform Guidance provisions at 2 CFR §200.62(a) and §200.303(a) also require that the agency have a process, and establish and maintain effective internal control over the Federal award, which provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

On November 2, 2015, the Department of Education adopted the final regulations found in 2 CFR part 200 ([Federal Register notice 80 FR 67261](#)). The Department issued notifications to grantees regarding the new requirements and made training and technical assistance documents available to grantees to assist in implementation of the new requirements. To ensure that RSA grantees were aware of the applicability of the prior approval requirements, RSA included a special clause on grant award notifications for FFY 2015 awards necessitating implementation of these requirements in FFY 2016. The special clause stated, in pertinent part, “that the prior approval requirements listed in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) (2 CFR part 200) are applicable to this award... Grantees are responsible for ensuring that prior approval, when required, is obtained prior to incurring the expenditure. Grantees should pay particular attention to the prior approval requirements listed in the Cost Principles (2 CFR 200 subpart E).” In addition, information regarding the requirements in 2 CFR part 200 was communicated to grantees via RSA’s listserv on September 23, 2015.

Analysis: RSA requested the agency’s written policies, procedures or processes that ensure the agency was meeting the prior approval requirements. While the agency provided policies and procedures for prior approval that identified authorization levels requiring approval for

purchased services within FDBS and the State, it did not have prior approval policies or procedures consistent with those identified in Uniform Guidance at 2 CFR §200.407 that require approval from RSA as the Federal awarding agency. Discussions with the agency prior to and during the on-site review, as well as a review of its RSA-15 reports for expenditures made in relation to the agency's use of Federal VR funds to support the Randolph-Sheppard program, indicated that the agency has been purchasing items that met the definition of equipment in accordance with 2 CFR §200.33 and §200.439, exceeding the State's capitalization threshold of \$1,000 for Operating Capital Outlay expenditures.

In addition, a review of FDBS Policy 6.07 related to the purchase of access and rehabilitation technology revealed a subsection for computer & assistive technology ownership and maintenance. Within this section language indicated that FDBS maintains ownership and is responsible for maintenance and repair of computers and assistive technology, including software licenses, for three years. During the three-year period, FDBS will make efforts to reclaim any assistive technology or software that is no longer needed for the client's employment or training. Furthermore, the policy indicated that a Client Equipment Inventory and Receipt Form (#108) must be completed and signed by all parties when the client receives the assistive technology or when FDBS reclaims possession. The completed form will be attached to the authorization in the client's paper file.

Due to FDBS' decision to retain ownership, and thus title, to computer and assistive technology purchased for client services, FDBS is required to treat the equipment as it would any piece of equipment that it would purchase for administrative or operational purposes. Uniform Guidance provisions for equipment at 2 CFR §200.313(d) identify the requirements that non-Federal entities must follow for managing equipment, including, but not limited to maintaining property records that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property. In addition, a physical inventory of the property must be taken and the results reconciled with the property records at least once every two years, and a control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. RSA has determined that when a DSU determines that it will hold title to equipment for purchased services, the equipment is subject to the prior approval requirements at 2 CFR §200.407, which specifically includes the categories of equipment (§200.313) and equipment and other capital expenditures (§200.439).

As a result, RSA has determined that the agency required prior approval from RSA as the Federal awarding agency before purchasing equipment, including computer and assistive technology purchased for consumers for which FDBS retains title, but prior approval was not sought or obtained. In addition, without written policies the agency does not have a process to determine the allowability of such costs as is required in 2 CFR §200.302(b)(7).

Conclusion: As a result of the analysis, FDBS did not meet the prior approval requirements pursuant to the Uniform Guidance (2 CFR §200.407) or the requirement to have written procedures for determining the allowability of costs in accordance with Subpart E – Cost Principles within Uniform Guidance (2 CFR §200.302(b)(7)).

Corrective Action Steps:

RSA requires that FDBS:

5.2.1 Develop and implement policies and procedures, as well as a written internal control process, including a monitoring component, to ensure ongoing compliance with the prior approval requirements; and

5.2.2 Ensure that any and all purchased client services for which FDBS maintains title that meet the prior approval requirements in 2 CFR §200.407 are submitted to RSA for prior approval requirements, or consider changing its policy regarding its retention of ownership and title for purchased client services subject to these requirements.

5.3 Internal Control Deficiencies

Issue: Does FDBS maintain effective internal control over the Federal award to provide reasonable assurance that FDBS is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award. This area of monitoring is included on pages 52 and 53 of the MTAG.

Requirement: A State VR agency must assure, in the VR services portion of the Unified State Plan, that it will employ methods of administration that ensure the proper and efficient administration of the VR program. These methods of administration (i.e., the agency's internal controls) must include procedures to ensure accurate data collection and financial accountability (34 CFR §361.12).

“Internal controls” means a process, implemented by a non-Federal entity, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- effectiveness and efficiency of operations;
- reliability of reporting for internal and external use; and
- compliance with applicable laws and regulations (2 CFR §200.61).

In addition, the Uniform Guidance at 2 CFR §200.62(a)(3) defines “internal control over compliance requirements for Federal awards” as a process implemented by a grantee that provides reasonable assurance that, among other things, that transactions are accurately recorded and accounted for to demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

The Uniform Guidance, at 2 CFR §200.303, requires a non-Federal entity to:

- establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the

United States and the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO);

- comply with Federal statutes, regulations, and the terms and conditions of the Federal awards;
- evaluate and monitor the non-Federal entity's compliance with statute, regulations and the terms and conditions of Federal awards; and
- take prompt action when instances of noncompliance are identified including noncompliance identified in audit finding.

Additionally, 2 CFR §200.302(a) requires a State's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the award, must be sufficient to permit the:

- preparation of reports required by general and program specific terms and conditions; and
- tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

In its guidance "The Role of Internal Control, Documenting Internal Control, and Determining Allowability & Use of Funds," the U.S. Department of Education (Department) made clear to grantees that internal controls represent those processes by which an organization assures operational objectives are achieved efficiently, effectively, and with reliable, compliant reporting.

Therefore, an internal control deficiency would exist when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or correct processes that might lead to non-compliance with Federal and State requirements.

Analysis: RSA found two areas of concern that fall within the internal control focus area. These concerns are identified below.

A. Reasonableness of Rates of Payment for VR Services

During on-site discussions with FDBS management and review of the agency's policies, RSA learned that the agency's written policy governing the rates of payment for purchased VR services (Division Policy 6.02) indicates that FDBS:

"will establish fee rates for the CRPs that are designed to ensure a reasonable cost for all programs, including, but not limited to, vocational rehabilitation services... The fee rates are subject to change based on a periodic analysis of the cost to deliver DBS services in Florida, funding level, and provider past performance...DBS will ensure the completion of the cost analysis every five years or more frequently as financial climates may indicate."

RSA reviewed the rates of payment established within contracts for VR services, as well as the rates of payment within contracts for the provision of pre-employment transition

services required activities to students with disabilities. Both contracts include an Attachment F, which is titled, “Counties Served and Specific Services and Definitions.” The attachment identifies 21 different service categories that may be applicable to all contracts that that agency enters into with CRPs. There are four columns within the attachment that identify the various programs or cost objectives that are subject to the attachment, with bullets identifying which of the 21 services may be provided under each program or cost objective. Two of the columns include VR services and Transition Services. RSA’s discussion with the agency revealed that the Transition Services are those services that are reported for pre-employment transition services to students with disabilities. Further review of Attachment F demonstrates that 18 of the 21 service categories may be provided under VR service contracts. In addition, the same 18 services may also be provided under the Transition Services contracts for pre-employment transition services, with the addition of one service category (Related Transition Activities) provided solely under its Transition Services contracts. Related Transition Activities are defined as “Activities such as participation in various clubs, teams, and other events that build upon or demonstrate the utilization of key transition skills.” Therefore, nearly all services that may be provided under the VR or Transition Services (for pre-employment transition services) are the same services.

The VR contract language related to deliverables in Attachment A, titled, “DETAILED DESCRIPTION OF PERFORMANCE DUTIES,” indicates that payments will be made monthly at 1/12th of the total fixed price amount as specified in the contract. Invoices must contain at least one (1) documented service as defined in Attachment F, Counties Served and Specific Services and Definitions. Similarly, the contract language related to Attachment A of the pre-employment transition services contracts indicates that payments will be made monthly at 1/12th of the total fixed price amount as specified in the contract. Invoices must contain at least one (1) documented service as defined in Attachment F, Counties Served and Specific Services and Definitions. Additional language in the deliverables section of Attachment A indicates that payment will be based on a rate of \$3,442 per client per year for the VR contract (~\$287 per month); however, the rate of payment per client per year for the pre-employment transition services contract is \$9,600 (\$800 per month), a rate that is 2.79 times the payment amount for VR contract services despite the nearly complete overlap in services provided across the two different contracts as outlined in Attachment F.

RSA requested that FDBS provide supporting documentation, in addition to Division Policy 6.02, to identify the methodology for determining rates of payment for services in accordance with 34 CFR §361.50(c)(1) and justify the significant difference between the rates of payment for purchased services when comparing the VR and pre-employment transition services contracts. FDBS provided RSA with a report from a contractor that conducted a cost analysis study of services provided by CRPs, dated May 22, 2009, which included program payment and contract reform recommendations from June 3, 2009. FDBS cited this study as the basis for rates of payment for its purchased VR services within its contracts. FDBS is also not compliant with its own Division Policy 6.02, which indicates FDBS will ensure the completion of a CRP cost analysis every five

years or more frequently, because the contractor cost analysis study was approximately eight years old at the time of the on-site visit.

The support for pre-employment transition service rates was provided to RSA in the form of emails from October 8, 2015, and December 15, 2015. The emails indicate that CRPs with a contract may receive a maximum rate for the provision of pre-employment transition services required activities (except work-based learning experiences) of \$700 per provider per month for those CRPs meeting minimum contract requirements. For those CRPs that do not meet minimum hourly contract requirements (i.e., 11.5 hours), the rate of payment is \$58 per hour. Separately, for work-based learning experiences during the first quarter of FFY 2016 (October 2015 through January 2016), the maximum rate for CRPs with a contract is \$400 per service provider if all minimum standards of the pre-employment transition services contract are met, which amounts to an additional \$100 per month for work-based learning experiences. While the information provided in the emails reflects the \$800 per month paralleled in the pre-employment transition services contracts in Attachment A, it does not demonstrate a basis to support the determination or reasonableness of the pre-employment transition services rates of payment.

Federal regulations require FDBS to establish procedures that enable it to administer the VR program in an efficient manner that ensures it can carry out all functions properly (34 CFR §361.12). Furthermore, 2 CFR §200.303(b) requires FDBS to have internal controls that ensure the agency complies with Federal requirements. FDBS also must establish and maintain written policies that govern the rates of payment for all purchased VR services (34 CFR §361.50(c)(1)). The Federal cost principles require that for costs to be allowable, they must be reasonable, necessary and allocable to the program (2 CFR §§200.403 through 200.405). To be allocable to a program, the cost must be relative to the benefit received by that program (2 CFR §200.405(a)). Since the rates of payment for purchased services under the pre-employment transition services contracts is 2.79 times higher than similar services provided under the VR services contracts, FDBS cannot ensure that all expenditures incurred for the provision of purchased VR services and pre-employment transition services are reasonable and necessary for the operation of the VR program, or are allowable under the VR program. As such, FDBS cannot assure that it is administering the VR program in a proper and efficient manner and ensuring financial accountability. For these reasons, FDBS has not complied with the internal control requirements set forth at 34 CFR §361.12 and 2 CFR §200.303(b).

B. Inaccurate Financial Reporting

1. *RSA-2 Reporting* – The Annual Vocational Rehabilitation Program/Cost Report (RSA-2) collects data on the title I State Vocational Rehabilitation (VR) Services Program and title VI-B State Supported Employment Services Program authorized under the Rehabilitation Act. The RSA-2 captures:

1. Administrative expenditures for the VR and Supported Employment programs;
2. VR program service expenditures by category;
3. Supported employment service expenditures;

4. Expenditures for the VR program by number of individuals receiving purchased services;
5. Costs by type of services provided; and
6. A breakdown of staff employed by the VR agencies.

The basic data comprising the RSA-2 are mandated by the *Rehabilitation Act* as specified in Section 101(a)(10)(D). Section 13 of the *Rehabilitation Act* requires the Commissioner to collect and report information to the Congress and the President in an Annual Report. Section 607 requires that the same information be reported for individuals who received supported employment services. RSA uses RSA-2 data to:

1. Determine the average cost of services the VR program purchases;
2. Provide information necessary for the completion of the Department of Education's annual budget request;
3. Respond to inquiries from Congress, other Federal agencies, states, organizations, and private individuals;
4. Respond to audits conducted by the Department of Education's Office of Inspector General and the General Accountability Office; and
5. Plan for the distribution of Federal funds for training and manpower development.

On March 7, 2017, RSA conducted a supported employment call before the on-site monitoring visit week. During the discussion, FDBS staff members on the call indicated that the agency spends approximately \$1,500,000 in non-Federal State-appropriated funds annually on supported employment services in addition to its Federal Supported Employment program funds. The amount of the Federal Supported Employment award was \$241,356 in FFY 2016, \$239,363 in FFY 2015, and \$238,171 in FFY 2014. RSA inquired whether FDBS reported all non-Federal supported employment expenditures on the SF-425 report for the Supported Employment program, and was informed that only the non-Federal portion necessary to match the 50 percent reserve for the provision of supported employment services, including extended services, to youth with the most significant disabilities was reported. RSA encourages grantees to report all non-Federal expenditures that support the Supported Employment program, but notes the Supported Employment Program does not have a maintenance of effort requirement like the VR program. Thus, RSA has not historically mandated the reporting of non-Federal expenditures for the Supported Employment program on the SF-425 report. RSA provided technical assistance onsite that title VI Supported Employment program funds may only be spent after a supported employment placement occurs. Any expenditure for services provided by VR prior to a supported employment placement must be reported for the VR program, including non-Federal expenditures that must be reported for match and maintenance of effort of the VR program.

During the on-site visit week of April 25 through 28, 2017, RSA received conflicting information from FDBS staff members regarding the amount of the non-Federal portion of funds spent annually on supported employment services, including in some

instances up to \$1,500,000 in general revenue funds expended on supported employment services. In other instances RSA was informed by FDBS staff members that only the amount of non-Federal share required to match the supported employment reserve for youth with most significant disabilities, or approximately \$13,400, was spent on supported employment services.

As part of the monitoring activities, RSA requested that FDBS demonstrate its systems for financial management, including the case management system and State accounting system and requested that FDBS clarify the sources and amounts of non-Federal and Federal supported employment funds expended in the Supported Employment program. After the on-site visit, RSA requested that FDBS provide details of its budget allocation of general revenue funds and asked FDBS to provide a breakdown of non-Federal expenditures from its State accounting system, identifying all non-Federal funds that are expended for VR and supported employment services. RSA's review of the documentation that FDBS provided indicated that for FFYs 2015 and 2016, \$13,373.30 and \$13,408.67, respectively, in non-Federal funds were expended for the Supported Employment program. This was aligned with the latest discussion RSA had with FDBS onsite in which staff members indicated the non-Federal share for the Supported Employment program was limited to the amount required to match the supported employment reserve, and that FDBS does not provide additional non-Federal support of the program.

However, RSA's review of the FFY 2015 and 2016 RSA-2 reports identified \$1,579,586 and \$1,927,093, respectively, reported as the total amount of non-Federal and Federal Supported Employment program expenditures on Schedule I, line 4.A of the report. RSA analyzed the supporting documentation FDBS provided for both the FFY 2015 and 2016 RSA-2 reports, which did not appear to provide support for the total amount of non-Federal and Federal expenditures for the Supported Employment program reported on Schedule I, line 4.A. As a comparison point, RSA reviewed FDBS' FFY 2015 and 2016 final Supported Employment program SF-425 reports, noting a combined total of non-Federal and Federal funds of \$252,736 and \$254,765 for FFYs 2015 and 2016, respectively. While the RSA-2 report and SF-425 reports cannot be reconciled because the RSA-2 report may include expenditures from two different supported employment FFY awards during the reporting period, this still does not explain: 1) the large total amount of non-Federal and Federal Supported Employment program expenditures reported on the RSA-2 reports; 2) the discussions RSA had with FDBS staff members regarding the non-Federal support of the Supported Employment program; and 3) the lack of supporting documentation for the total supported employment expenditures on the FFYs 2015 and 2016 RSA-2 reports.

RSA also noted that the total amount of supported employment expenditures for purchased services on Schedule III, line 29A of the RSA-2 report was \$119,682 and \$229,577 for FFYs 2015 and 2016, respectively, despite the totals of \$1,579,586 and \$1,927,093 reported on Schedule I, line 4A as total Supported Employment program expenditures. Furthermore, the \$119,682 reported as supported employment expenditures for purchased services on Schedule III, line 29A of the FFY 2015 RSA-

2 report exactly matches the amount of Federal supported employment expenditures reported for the FFY 2015 reserve of supported employment expenditures for youth with the most significant disabilities on the SF-425 report. The \$119,682 on Schedule III of the FFY 2015 RSA-2 report does not reflect the entire FFY 2015 Supported Employment program Federal award, which was \$239,363 in FFY 2015, all of which was spent in the year of appropriation. This would mean that the \$119,682 on the FFY 2015 RSA-2 report was incorrect on Schedule III, line 29A because it did not include non-Federal expenditures to match the reserve portion, and would also imply the agency spent supported employment funds on salaries or administrative costs, which are capped at 2.5 percent of the supported employment allotment. This administrative cap calculation would amount to \$5,984 for the FFY 2015 Supported Employment award, and does not account for the remaining \$113,697 of the Federal award that would have to be spent on supported employment services.

2. *SF-425 Reporting* – A review of the FDBS FFY 2016 Supported Employment program final SF-425 report indicated that the amount reported in line 12a (Federal Expenditures for Youth with the Most Significant Disabilities) for reserve purposes was identical to the amount of non-Federal share reported in line 10j of the report (\$13,409) as non-Federal share, representing the required match for the 50 percent supported employment reserve (\$120,678). Since FDBS spent all of its FFY 2016 Federal Supported Employment award funds, if only \$13,409 in Federal Supported Employment program funds were expended toward the reserve, this would imply that FDBS spent the remaining portion of the 50 percent reserve, or \$107,269, on supported employment services to individuals who did not fall under the category of a youth with a most significant disability.

The Office of Management and Budget (OMB) requires that grantees use the Federal Financial Report (SF-425) to report financial data for grant awards. RSA instructions for completing the form are detailed in Policy Directive (PD) RSA-PD-15-06, and require an accurate account of all Federal and non-Federal obligations and expenditures that were used to support the Supported Employment program. RSA uses the SF-425 data to monitor the financial status of the Supported Employment program and to assess grantee compliance with the fiscal requirements contained in the Rehabilitation Act. Therefore, the reports must be accurate and submitted timely. In accordance with the Uniform Guidance at 2 CFR §200.302(a), a State's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the award, must be sufficient to permit the preparation of reports required by general and program specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. In addition, 34 CFR §76.702 requires States to use fiscal control and fund accounting procedures that insure proper disbursement of and accounting for Federal funds.

When a State does not submit timely and accurate SF-425 or RSA-2 reports, RSA is not able to determine whether Federal requirements have been satisfied, thereby

affecting its ability to protect the Federal interest. Therefore, these reports must be accurate and submitted timely in accordance with grant award terms and conditions.

Conclusion: FDDBS does not maintain effective internal controls over the Federal awards that provide reasonable assurances that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award, as required by 34 CFR §361.12 and 2 CFR §200.303. Specifically, an internal control deficiency for rate setting of purchased VR services exists, as evidenced by the significant variance in fees charged between the pre-employment transition services and VR services contracts. FDDBS did not demonstrate the agency has established and maintained written policies that govern the rates of payment for all purchased VR services, as required by 34 CFR §361.50(c)(1), and ensure that fees are allowable, reasonable, necessary, and allocable, as required by Federal cost principles in Uniform Guidance. Additionally, FDDBS did not satisfy the requirements in 34 CFR §361.12, 34 CFR §76.702, and 2 CFR §200.302 to establish sufficient internal controls to accurately account for and report the financial results of all Federally-assisted activities, because the agency was not accurately reporting all Federal and non-Federal expenditures incurred by the agency in the Supported Employment program on the RSA-2 and SF-425 reports.

Corrective Action Steps:

RSA requires that FDDBS:

5.3.1 Revise and implement written policies or procedures governing the manner in which FDDBS will set fees for purchased VR services and pre-employment transition services that are based on reasonable costs established by the agency, as required by 34 CFR §361.50(c)(1);

5.3.2 Update and implement policies and procedures to accurately report Federal and non-Federal expenditures on the SF-425 and RSA-2 reports; and

5.3.3 Revise and resubmit the SF-425 and RSA-2 reports for FFYs 2015 and 2016 to accurately report Federal and non-Federal supported employment expenditures, reconcile the differences, and provide a detailed explanation regarding the RSA-2 expenditure data variances for supported employment expenditures on Schedules I and III of the report.

D. Technical Assistance

During the course of monitoring activities, RSA provided technical assistance to FDDBS as described below.

- RSA provided technical assistance to FDDBS that any costs for VR services provided prior to a consumer entering into a supported employment placement must be paid for with title I VR funding and may not be paid for with title VI supported employment funding, which may only be used after the individual has obtained the supported employment placement and is receiving services during the 24-month ongoing support period.
- The exclusion of administrative expenditures for pre-employment transition services and supported employment reserve purposes is applicable to administrative costs directly

incurred by the DSU. RSA determined that reasonable and allocable fees that are part of a contract for the provision of pre-employment transition services or supported employment services, including extended services, to youth with the most significant disabilities may be included and reported as allowable reserve expenditures.

- RSA informed FDBS that program income includes any payments received by the VR agency for payments from financial participation of consumers for the provision of their services, in accordance with 34 CFR §361.63(b) and the SF-425 instructions for the VR program (RSA-PD-15-05).
- RSA reminded FDBS to include both Federal and non-Federal expenditure data on the RSA-2 Schedules I and III for VR and supported employment expenditures and service categories, respectively.
- RSA informed FDBS about the process to sign up for the RSA fiscal listserv to receive RSA updates on pertinent fiscal information, technical assistance and guidance.

SECTION 6: FOCUS AREA – JOINT WORKFORCE INNOVATION AND OPPORTUNITY ACT FINAL RULE IMPLEMENTATION

A. Nature and Scope

The U.S. Department of Education and the U.S. Department of Labor (collectively, the Departments) issued the WIOA Joint Rule for Unified and Combined State Plans, Performance Accountability, and the One-Stop System Joint Provisions; Final Rule (Joint WIOA Final Rule) to implement jointly administered activities authorized by title I of WIOA. These jointly-administered regulations apply to all core programs of the workforce development system established by title I of WIOA and are incorporated into the VR program regulations through subparts D, E, and F of 34 CFR part 361.

WIOA strengthens the alignment of the public workforce development system's six core programs by compelling unified strategic planning requirements, common performance accountability measures, and requirements governing the one-stop delivery system. In so doing, WIOA places heightened emphasis on coordination and collaboration at the Federal, State, local, and tribal levels to ensure a streamlined and coordinated service delivery system for job seekers, including those with disabilities, and employers.

Under WIOA, the workforce development system consists of the following six core programs:

- Adult, Dislocated Worker, and Youth programs, authorized under title I;
- Adult Education and Family Literacy Act (AEFLA) program, authorized under title II;
- Employment Service program authorized under the Wagner-Peyser Act, as amended by title III; and
- VR program authorized under title I of the Rehabilitation Act.

Through this focus area, RSA:

- Assessed FDDBS' progress toward fulfilling its role as one of the core programs in the workforce development system;
- Identified areas where FDDBS' partnership and collaboration with other core programs should be strengthened; and
- Provided technical assistance to FDDBS to assist in implementing the Joint WIOA Final Rule.

This focus area consists of the following topical areas: Governance, Unified or Combined State Plans, One-Stop Operations, and Performance Accountability. To gather information pertinent to these topics, RSA reviewed the Program Year (PY) 2016 Unified State Plan and sample Memoranda of Understanding and Infrastructure Funding Agreements related to the one-stop service delivery system, as available. The review team met with the VR agency directors for FDVR and FDDBS, VR agency senior leaders, regional area managers and district supervisors.

B. Overview

Governance

FDBS is represented on the State Workforce Development Board (SWDB) by the Chancellor for the Career and Adult Education, FDOE. The Commissioner of FDOE designated the Chancellor for Career and Adult education to serve as the representative for both FDBS and FDVR. In addition, the Chancellor also serves as the representative for Florida's adult education program. FDBS reported the designation of the Chancellor to serve as the representative for both VR agencies works well for the agencies and is necessary due to the strict Florida Sunshine laws. Specifically, communication between multiple members of the SWDB is restricted as a result of the Sunshine law that requires the necessary public notification. This matter is discussed further under the technical assistance portion of this section.

Florida is comprised of 24 Local Workforce Development Boards (LWDBs). FDBS does not have representation on any of the LWDBs as a voting member, but attends each of the meetings and works with FDVR on all local workforce development related matters. FDBS, in conjunction with FDVR, provides the lead on all accessibility-related issues, including accessibility of the one-stop centers, both programmatically and physically, specifically related to visual impairment matters.

Unified State Plans

FDBS reported a high level of representation during the development of the Florida Unified State Plan. Florida submitted a Unified State Plan for PY 2016 through PY 2019 on April 1, 2016, reviewed by representatives of the Departments of Education and Labor, and approved on June 30, 2016.

The SWDB created a task force for the development of the Unified State plan involving all core and other optional partners, including FDBS and FDVR. The task group assigned specialized areas to various members belonging to organizations that specialized in specific areas. For example, the representative for the Florida Department of Economic Opportunity (DEO) was responsible for developing the labor market information (LMI) used throughout the plan for purposes of the strategic planning. The task force met on a regular basis, at least once per month, during the first six months prior to submission of the Unified State plan. As a result, FDBS believes the plan integrated the agency's VR goals into the Unified State plan's strategies and operational elements.

The task force continued to meet regularly following the approval of the Unified State plan with all core partners along with other representatives from the combined partner programs. Although the initial plan was a Unified State plan involving only the core partner programs, FDBS believes other optional programs will be integrated into the plan when the State submits its two-year modification in the spring of 2018.

The task force was in the process of developing a tracking system to identify the progress made toward the goals and strategies established in the State plan. At the time of the on-site portion of the review, the task force was designing a system to ensure accountability by each partner involved in the plan and the goals established by the State.

Throughout this process, FDBS continued to work with its SRC while developing the VR portion of the State plan. The SRC conducted four public meetings throughout the State to obtain input from the public in addition to the public input obtained for the Unified State plan. The VR portion of the State plan was approved June 30, 2016 with the approval of the Florida Unified State plan.

One-Stop Delivery System

FDBS delivers VR services throughout the State through its district offices and through the one-stop centers. Florida contains 24 local workforce development areas, which include 77 full service centers, 25 satellite offices and 1 business center. FDBS is not co-located in any of the one-stop centers. Rather, FDBS works with the disability coordinators to ensure one-stop center personnel are appropriately trained on the agency's services and how to contact a VR counselor when necessary. FDBS reports meeting with applicants and individuals eligible for services at the one-stop centers and its field offices.

FDBS has maintained an active role as the lead agency for all accessibility-related matters for visual impairment-related issues or technology for the one-stop centers throughout the State. This involves the evaluation and certification of the local one-stop centers to ensure each center is both programmatically and physically accessible to all individuals with disabilities. In addition, FDBS, in conjunction with FDVR, has provided extensive disability-related training to the staff at each center on areas that range from the intake of an individual who walks in for services to independent job search using the assistive technology available on the computers at the centers.

The chief elected official for the Florida Workforce Development agency identified CareerSource as the administrative entity, grant recipient and fiscal agent for the local one-stops.

Performance Accountability

Pursuant to section 116(d)(2) of WIOA and 34 CFR §361.160, the *Annual Statewide Performance Report Template* must be submitted to the Departments of Education and Labor using aggregated data collected by each of the six core programs. In Florida, the entity responsible for assembling and submitting this report is DEO. In order for VR agencies to collect the required data needed for the annual report, RSA amended its RSA-911 report, as described in PD-16-04. FDBS is working with its case management system provider through a contract to update the case management system.

A MOU has been established between FDBS and the other core and optional one-stop partners in Florida to ensure individuals are referred to other State agencies, when appropriate. Currently, individuals cannot be identified as being co-enrolled with other one-stop partners unless the individual applied for services through a one-stop center. The State's workforce partners are working together to employ a coordinated system that will provide real-time information, including the progress for each individual receiving services from all of the one-stop partners participating in the MOU.

C. Findings and Corrective Actions to Improve Performance

RSA's review of the performance of the VR program in this focus area resulted in the identification of the following finding and corrective actions.

6.1 Funding Mechanism for One-Stop Infrastructure Costs Not Consistent with Requirements

Issue: Whether FDBS's process for funding the VR program's proportionate amount of the one-stop system's infrastructure costs satisfies 34 CFR §361.13 and 34 CFR §361.715.

Requirement: Pursuant to 34 CFR §361.13(b)(1)(ii), the designated State unit (DSU) for the VR program – FDBS, in Florida – must have a full-time director who is responsible for the day-to-day operations of the VR program. As such, the DSU has the sole responsibility to allocate and expend VR funds (34 CFR §§361.13(b)(1)(v), 361.13(c)(1)(iv), and 361.13(c)(2)). Moreover, the DSU has sole responsibility for the VR program's participation as a partner in the one-stop service delivery system (34 CFR §§361.13(c)(1)(v) and 361.13(c)(2)).

As a required one-stop partner, pursuant to joint one-stop regulations at 34 CFR §361.400(b)(4), a VR agency must contribute toward the one-stop system's infrastructure costs in a manner that is based on:

- a reasonable cost allocation methodology by which infrastructure costs are charged to each partner based on proportionate use and relative benefit received;
- Federal cost principles; and
- any local administrative cost requirements in the Federal law authorizing the partner's program. (This is further described in 34 CFR §361.700) (34 CFR §361.420(b)(2)).

Infrastructure costs are non-personnel costs necessary for the general operations of the one-stop centers (34 CFR §361.700(a)). These costs may be funded under either the local funding mechanism or the State funding mechanism (34 CFR §361.710). Under the local funding mechanism, the Local Workforce Development Board (LWDB), chief elected officials, and one-stop partners negotiate in an effort to determine the method(s) of calculating amounts each partner will contribute toward one-stop infrastructure funding, consistent with 34 CFR §361.715. Pursuant to 34 CFR §361.705, the Governor of each State develops and issues guidance for use by local areas in their efforts to determine partner contributions to fund one-stop infrastructure costs, including timelines for local areas to notify the Governor when the local partners are not able to reach consensus, thereby triggering the State funding mechanism described in 34 CFR §361.730. Only under the State funding mechanism will the Governor calculate and implement the statutory statewide program caps for determining infrastructure cost contributions from one-stop partner programs in local areas operating under the State funding mechanism. For purposes of the VR program, when the State funding mechanism is triggered, the statutory cap on infrastructure cost contributions is set forth in 34 CFR §361.738(c)(3)(i). Conversely, there are no caps for the VR program's contributions for infrastructure costs under the local funding mechanism, so long as the costs are allowable and proportionate to the VR program's use of the one-stop center and relative benefit received by the program (34 CFR §361.720(b)).

Pursuant to 34 CFR §361.755, each local area's Memorandum of Understanding (MOU) (described in 34 CFR §361.500) must include an infrastructure funding agreement (IFA), regardless of whether the one-stop centers' infrastructure costs are funded under the local funding mechanism or the State funding mechanism. The U.S. Departments of Education and Labor provided extensive guidance regarding the funding of the one-stop system's infrastructure costs in both the joint one-stop regulations ([Federal Register notice 81 FR 55791](#)), published August 19, 2016, and in technical assistance circular (RSA-TAC-17-03), published January 18, 2017.

Analysis: During its on-site monitoring process, RSA requested sample MOUs from Florida's 24 local workforce areas to assess FDBS's progress in implementing the joint one-stop requirements for purposes of the VR program, including those regarding funding the one-stop system's infrastructure costs. While the agency provided RSA a few sample MOUs that satisfied some of the one-stop MOU requirements identified in 34 CFR §§361.500 and 361.755, the MOUs did not contain an infrastructure or shared services budget or a final IFA identifying the infrastructure costs of local area one-stop partners, including FDBS, as required by 34 CFR §361.755. Rather, for purposes of the VR program, the MOU included a section on infrastructure costs that stated: "Division of Blind Services" will transfer its total statewide infrastructure cost contribution, minus funds already committed through MOUs containing lease agreements, to the Department of Economic Opportunity for disbursement to local area workforce boards, as it deems appropriate."

During on-site discussions, FDBS executive staff members informed RSA that, because of the MOU language just cited, FDBS participated in the development of local MOUs, which did not result in an IFA that clearly identified infrastructure costs, cost allocation methodologies, and resulting partner contributions reflective of proportionate use and relative benefits received by the VR program, as FDBS is required to do under the local funding mechanism. Instead, FDBS contributed the amount of the statutory VR program cap amount for infrastructure costs under the State funding mechanism (specifically, 0.75 percent of the FFY VR allotment), less any existing lease costs. However, according to the information RSA gathered as part of its on-site monitoring process, none of Florida's 24 local workforce areas failed to reach consensus on the infrastructure costs, meaning that the State funding mechanism was not triggered in any of the State's 24 local areas. Therefore, the statutory cap the VR program could contribute to the funding of infrastructure costs under the State funding mechanism (34 CFR §361.738(c)(3)(i)) was not applicable and should not have been used for determining FDBS' contribution under the VR program for the funding of infrastructure costs. According to the information RSA reviewed during the on-site monitoring process, all 24 local areas were still in the process of negotiating and finalizing the local funding mechanism for determining infrastructure cost contributions from each of the partners, which would have required negotiations about what each partner – including FDBS – would contribute and the costs that would be included in the total infrastructure costs (34 CFR §361.715). Since FDBS did not negotiate the terms of the IFA for purposes of the VR program's contributions for funding the one-stop system's infrastructure costs, FDBS did not satisfy its role as a one-stop partner to negotiate the IFA, as required by 34 CFR §361.715. As such, there is not sufficient information to determine whether FDBS paid its proportionate share of the costs.

Additionally, each of the three sample MOUs that RSA reviewed were signed by the Commissioner of FDOE, the designated State agency (DSA) for FDBS, not FDBS itself. During

on-site discussions, FDBS informed RSA that only FDOE (as the DSA) has the authority to negotiate local agreements, sign MOUs, and commit Federal funding – not FDBS. Such restriction is inconsistent with Federal requirements that FDBS is the entity designated in the State to administer the VR program on behalf of FDOE. As such, FDBS must remain solely responsible for the expenditure and allocation of VR funds. Furthermore, FDBS must remain solely responsible for its role as a one-stop partner. None of these functions may be delegated to another entity or individual, including the head of FDOE (34 CFR §361.13(c)). Since FDBS did not perform its function as a one-stop partner by negotiating the IFAs or MOUs, as it was required to do under the local funding mechanism, FDBS is not in compliance with the non-delegable functions of a DSU for the VR program set forth in 34 CFR §§361.13(b)(1)(v) and 361.13(c).

With respect to FDBS’s transfer of funds to the Florida Department of Economic Opportunity, it is important to note that there is no prohibition against FDBS utilizing the Department of Economic Opportunity as a centralized office for the payment of bills stemming from FDBS’s proportionate share of the infrastructure costs. Such streamlining of administrative functions at the State level is permissible. However, at all times, FDBS must remain responsible for determining how much it will contribute toward the infrastructure costs and negotiating what costs will be included in the total infrastructure costs. Only then can FDBS ensure it is retaining sole responsibility for the allocation and expenditure of VR funds and for its role as a one-stop partner, as required by 34 CFR §§361.13(b)(1)(v) and 361.13(c)(1)(iv) and (v). Given the transfer of funds made in accordance with the MOU, it is unclear whether FDBS maintained responsibility for its non-delegable functions as a DSU.

Conclusion: As a result of this analysis, FDBS did not meet the joint one-stop requirements in 34 CFR part 361, subpart F, related to MOU and infrastructure cost requirements, because it did not participate in local funding mechanism negotiations. Rather, it utilized its funding amount under the State funding mechanism even though the State funding mechanism had not been triggered, and local negotiations were being finalized in each local area in the State. In addition, FDBS did not satisfy the non-delegable functions as the DSU for the VR program, as set forth in 34 CFR §361.13.

Corrective Action Steps:

RSA requires that FDBS:

- 6.1.1 Retain sole responsibility for its non-delegable functions as a DSU, as required by 34 CFR §361.13;
- 6.1.2 Cease using statutory program caps associated with the State funding mechanism to determine VR infrastructure cost contributions when the State funding mechanism has not been triggered; and
- 6.1.3 Develop and implement procedures to participate in local area negotiations with the LWDBs, chief elected officials, and one-stop partners to develop a local MOU, and in an effort to determine the cost allocation methodology(ies) of calculating amounts each partner will contribute toward one-stop infrastructure costs.

D. Technical Assistance

During the course of monitoring activities, RSA provided technical assistance to FDDBS as described below.

FDDBS and FDVR, which administer the VR program – one of the core partner workforce development programs that are authorized under the Rehabilitation Act, as amended by title IV of WIOA, are both housed in the Florida Department of Education, which also houses the Florida Career and Adult Education program – another core partner program in the workforce development system that is authorized under title II of WIOA. The Florida Department of Education is overseen by a Commissioner, with each of the programs housed within that Department administered by a chancellor or director specific to that program. During RSA’s on-site monitoring of the VR program, RSA learned that FDVR and FDDBS are both represented on the State Workforce Development Board (State Board) by the Chancellor of the Career and Adult Education Program, who also represents the Adult Education and Family Literacy Act (AEFLA) program authorized under title II of WIOA.

Section 101(b)(1)(C)(iii)(I)(aa) of WIOA requires that the State Board be comprised of, among others, representatives from “the lead State officials with primary responsibility for the core programs” (see also 20 CFR 679.110(b)(3)(iii)(A)(1)). The preamble to the final regulations explains further that 20 CFR 679.110(b)(3)(iii)(A)(1)(i) through (iii) were modified for purposes of the final regulations to make clear that the title II AEFLA and the title IV VR programs must each be represented by a single, unique representative (see 81 FR 56072, 56074 (Aug. 19, 2016)). In other words, one representative cannot represent both programs, as is done in Florida.

This policy position by the U.S. Department of Labor (DOL) is consistent with 20 CFR 679.110(e), which requires that State Board members representing core programs, such as the VR program, be individuals who have optimum policy-making authority for the core program that they represent. Pursuant to 20 CFR 679.120(a):

(a) A representative with “optimum policy-making authority” is an individual who can reasonably be expected to speak affirmatively on behalf of the entity he or she represents and to commit that entity to a chosen course of action.

In addition to the provisions in 20 CFR 679.110(b)(3)(iii)(A)(1)(i) through (iii), which would require a single, unique representative for the Adult Education program and a single, unique representative for the VR program, the Chancellor of the Career and Adult Education program is not directly involved with the administration of the VR program at all. As such, the Chancellor of Career and Adult Education cannot be reasonably expected to speak on behalf of the VR program or commit it to any chosen course of action. Only the VR director of either FDVR or FDDBS can meet the requirements of 20 CFR 679.120(a).

Finally, the VR regulations at 34 CFR 361.13(c)(1) specify certain functions that are the sole responsibility of the VR agency, including participation as a partner in the workforce development system. This would include the VR program’s participation on the State Board pursuant to 20 CFR 679.110(b)(3)(iii)(A)(1)(iii) and 20 CFR 679.120(a). The VR program

director does not have the authority to delegate this authority to another entity or individual (34 CFR 361.13(c)(2)). In other words, neither the FDVR nor the FDBS director have the authority to delegate to the Chancellor of Career and Adult Education the authority to represent the VR program on the Florida State Board. Enforcement of this matter falls under the jurisdiction of DOL.

FDBS has requested additional technical assistance in the following areas:

- FDBS seeks technical assistance on how to establish a data sharing agreement without a SWIS agreement currently in place to ensure unemployment insurance data can be obtained for those outside the State of Florida; and
- FDBS requested guidance on how to establish an infrastructure funding agreement (IFA) in situations where VR is not co-located with a one-stop.

APPENDIX A: PROGRAM AND FISCAL PERFORMANCE DATA TABLES

This appendix contains the program and fiscal performance data tables used throughout the review. Data were drawn from the RSA-113, the RSA-911, and SF-425. The RSA-113 report is a quarterly submission that provides cumulative information at the end of the Federal fiscal year. The data from the RSA-113 cover both open and closed cases as reported to RSA at the end of the Federal fiscal year. The RSA-911 contains only information on cases closed during the Federal fiscal year covered by the report and does not include information related to those cases remaining open in the next Federal fiscal year.

Table 3.1 FL-B Case Status, Exit Status, and Employment Outcomes for All Individuals - FFY 2014-2016

Performance category	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Total applicants	2,224	100%	2,012	100%	2,125	100%	26,989	100%
Total eligible individuals	1,616	n/a	1,444	n/a	1,477	n/a	12,357	n/a
Agency implementing order of selection	No	n/a	No	n/a	No	n/a	-	n/a
Individuals on order of selection waiting list at year-end	0	n/a	0	n/a	0	n/a	60	n/a
Individuals in plan receiving services	4,131	n/a	4,161	n/a	4,149	n/a	35,064	n/a
Percent accepted for services who received no services	9.5%	n/a	7.5%	n/a	7.3%	n/a		10.40%
Exited as applicants	493	26.2%	447	24.1%	495	24.0%	2,209	17.4%
Exited trial experience/extended evaluation	3	.2%	2	0.1%	5	.2%	62	.5%
Exited with employment	721	38.3%	771	41.5%	813	39.5%	5,994	47.3%
Exited without employment	512	27.2%	527	28.4%	638	31.0%	3,117	24.6%

Performance category	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Exited from OOS waiting list	0	0%	0	0%	0	0	12	.1%
Exited without employment outcomes, after eligibility, before an IPE was signed or before receiving services	154	8%	109	5.9%	108	5.2%	1,275	10.1%
Total received services	1,233	65.5%	1,298	69.9%	1,451	70.5%	9,111	71.9%
Employment rate	58.5%	n/a	59.4%	n/a	56.0%	n/a		65.8%
Competitive employment outcomes	698	96.8%	741	96.1%	728	89.5%	5,177	86.4%
Supported employment outcomes	0	0%	0	0%	0	0%	152	2.5%
Average hourly earnings for competitive employment outcomes	\$13.75	n/a	\$14.42	n/a	\$14.22	n/a	\$15.61	n/a
Average hours worked for competitive employment outcomes	29.81	n/a	29.66	n/a	30.26	n/a	31.20	n/a
Median hourly earnings for competitive employment outcomes	\$10.13	n/a	\$10.30	n/a	\$10.8	n/a	\$11.73	n/a
Median hours worked for competitive employment outcomes	32	n/a	30	n/a	32	n/a	35	n/a
Quarterly median earnings	\$4,205	n/a	\$4,290	n/a	\$4,420	n/a	\$4,927	n/a

Data sources: RSA-911, RSA 113

Table 3.2.a FL-B VR Training Services Provided for Individuals Served - FFYs 2014-2016

Training Services	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Total number of individuals served	1,233	100%	1,298	100%	1,451	100%	9,111	100%
College or university training	0	0.0%	0	0.0%	0	0.0%	127	1.4%
Four-year or university training	26	2.1%	33	2.5%	122	8.4%	918	10.1%
Junior or community college training	0	0.0%	0	0.0%	0	0.0%	293	3.2%
Occupational or vocational training	379	30.7%	379	29.2%	367	25.3%	1,137	12.5%
On-the-job training	5	0.4%	16	1.2%	23	1.6%	265	2.9%
Apprenticeship training	0	0.0%	0	0.0%	0	0.0%	12	0.1%
Basic academic remedial or literacy training	3	0.2%	2	0.2%	2	0.1%	148	1.6%
Job readiness training	95	7.7%	217	16.7%	275	19.0%	1,082	11.9%
Disability-related skills training	236	19.1%	508	39.1%	602	41.5%	4,075	44.7%
Miscellaneous training	60	4.9%	72	5.5%	87	6.0%	1,070	11.7%

Data source: RSA-911

Table 3.2.b FL-B VR Career Services Provided for Individuals Served - FFYs 2014-2016

Career Services	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Total number of individuals served	1,233	100%	1,298	100%	1,451	100%	9,111	100%
Assessment	447	36.3%	622	47.9%	842	58.0%	6,028	66.2%
Diagnosis and treatment of impairment	580	47.0%	1,027	79.1%	1,100	75.8%	5,970	65.5%
Vocational rehab counseling and guidance	681	55.2%	1,295	99.8%	1,448	99.8%	7,735	84.9%
Job search assistance	296	24.0%	143	11.0%	103	7.1%	955	10.5%
Job placement assistance	313	25.4%	170	13.1%	130	9.0%	1,412	15.5%

Career Services	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
On-the-job supports-short term	9	0.7%	62	4.8%	62	4.3%	915	10.0%
On-the-job supports-SE	0	0.0%	0	0.0%	0	0.0%	288	3.2%
Information and referral services	149	12.1%	335	25.8%	352	24.3%	1,582	17.4%
Benefits counseling	0	0.0%	0	0.0%	0	0.0%	257	2.8%
Customized employment services	0	0.0%	0	0.0%	0	0.0%	43	0.5%

Data source: RSA-911

Table 3.2.c FL-B VR Other Services Provided for Individuals Served - FFYs 2014-2016

Other Services	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Total number of individuals served	1,233		1,298		1,451		9,111	
Transportation	466	37.8%	734	59.5%	886	61.1%	3,676	40.3%
Maintenance	434	35.2%	597	48.4%	742	51.1%	2,309	25.3%
Rehabilitation technology	564	45.7%	908	73.6%	1047	72.2%	5,976	65.6%
Reader services	3	0.2%	8	0.6%	15	1.0%	231	2.5%
Interpreter services	1	0.1%	8	0.6%	21	1.4%	140	1.5%
Personal attendant services	3	0.2%	3	0.2%	5	0.3%	81	0.9%
Technical assistance services	29	2.4%	52	4.2%	14	1.0%	194	2.1%
Other services	50	4.1%	73	5.9%	631	43.5%	3,526	38.7%

Data source: RSA-911

Table 3.3.a FL-B Outcomes by Type of Impairment - FFYs 2014-2016

Type of Impairment	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Visual - Employment outcomes	702	100.0%	760	100.0%	812	100.0%	5,795	99.8%
Visual - Without employment outcomes	496	100.0%	508	100.0%	635	100.0%	3,093	99.8%
Auditory and Communicative - Employment outcomes							1	.0%
Auditory and Communicative - Without employment outcomes							1	.0%
Physical - Employment outcomes							6	.1%
Physical - Without employment outcomes							4	.1%
Intellectual and Learning disability - Employment outcomes							3	.1%
Intellectual and Learning disability - Without employment outcomes							1	.0%
Psychosocial and psychological - Employment outcomes								
Psychosocial and psychological - Without employment outcomes							1	.0
Total served - Employment outcomes	702	100.0%	760	100.0%	812	100.0%	5,805	100.0%
Total served - Without employment outcomes	496	100.0%	508	100.0%	635	100.0%	3,100	100.0%

Data source: RSA-911

Table 3.2.b FL-B All Individuals Served by Type of Impairment FFYs 2014-2016

Type of Impairment	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Visual - Individuals served	1,198	100.0%	1,268	100.0%	1,447	100.0%	8,888	99.8%
Auditory and Communicative - Individuals served							2	.0
Physical - Individuals served							10	.1%
Intellectual and Learning disability - Individuals served							4	.0
Psychosocial and psychological							1	.0
Total individuals served	1,198	100.0%	1,268	100.0%	1,447	100.0%	8,905	100.00

Data source: RSA-911

Table 3.3.c FL-B Employment Rate by Type of Impairment - FFYs 2014-2016

Type of Impairment	2014 Percent	2015 Percent	2016 Percent	2016 National Agency Type Percent
Visual - Employment rate	58.6%	59.9%	56.1%	65.2%
Auditory and Communicative - Employment rate				
Physical - Employment rate				
Intellectual and Learning disability - Employment rate				
Psychosocial and psychological – Employment rate				
Total served - Employment rate	58.6%	59.9%	56.1%	65.2%

Table 3.4.a FL-B Elapsed Time from Application to Eligibility for All Individuals Served - FFYs 2014-2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 60 days	1260	90.8%	1291	91.8%	1418	91.0%	9,319	89.6%
61 – 90 days	85	6.1%	73	5.2%	87	5.6%	535	5.1%
91 – 120 days	27	1.9%	26	1.8%	29	1.9%	209	2.0%
121 – 180 days	9	0.6%	12	0.9%	14	0.9%	156	1.5%
181 – 365 days	5	0.4%	2	0.1%	7	0.4%	108	1.0%
More than 1 year	1	0.1%	3	0.2%	4	0.3%	71	.7%
Total eligible	1,387	100.0%	1,407	100.0%	1,559	100.0%	10,398	100.0%

Table 3.4.b FL-B Elapsed Time from Eligibility to IPE for All Individuals Served - FFYs 2014-2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 90 days	1,205	97.7%	1,268	97.7%	1,425	98.2%	7,467	82.0%
More than 90 days	28	2.3%	30	2.3%	26	1.8%	1,644	18.0%
Total served	1,233	100.0%	1,298	100.0%	1,451	100.0%	9,111	100.0%

Data source: RSA-911

Table 3.4.c FL-B Elapsed Time IPE to Closure for All Individuals Served - FFY 2014-2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 3 months	26	2.1%	17	1.3%	33	2.3%	170	1.9%
4 – 6 months	225	18.2%	195	15.0%	214	14.7%	1,034	11.3%
7 – 9 months	207	16.8%	166	12.8%	198	13.6%	1,122	12.3%
10 – 12 months	135	10.9%	159	12.2%	137	9.4%	967	10.6%
13 - 24 months	301	24.4%	357	27.5%	374	25.8%	2,162	23.7%
25 – 36 months	136	11.0%	148	11.4%	182	12.5%	1,147	12.6%
37 – 60 months	97	7.9%	128	9.9%	156	10.8%	1,092	12.0%
More than 5 years	106	8.6%	128	9.9%	157	10.8%	1,417	15.6%
Total served	1,233	100.0%	1,298	100.0%	1,451	100.0%	9,111	100.0%

Data source: RSA-911

Table 3.5.a FL-B SOC Codes for All Individuals Served with Employment Outcomes - FFY 2014-2016

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Architecture and Engineering Occupations (17-0000)	2	.3%	4	.5%	5	.6%	44	.7%
Arts, Design, Entertainment, Sports, and Media (27-0000)	24	3.3%	32	4.2%	21	2.6%	167	2.8%

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Building and Grounds Cleaning and Maintenance (37-0000)	40	5.5%	40	5.2%	37	4.6%	281	4.7%
Business and Financial Operations Occupations (13-0000)	26	3.6%	19	2.5%	20	2.5%	171	2.9%
Community and Social Services Occupations (21-0000)	26	3.6%	23	3.0%	18	2.2%	245	4.1%
Computer and Mathematical Occupations (15-0000)	16	2.2%	8	1.0%	17	2.1%	114	1.9%
Constructive and Extraction Occupations (47-0000)	19	2.6%	12	1.6%	20	2.5%	150	2.5%
Education, Training, and Library Occupations (25-0000)	49	6.8%	49	6.4%	63	7.7%	407	6.8%
Farming, Fishing, and Forestry Occupations(45-0000)	4	.6%	10	1.3%	2	.2%	35	.6%
Food Preparation and Serving Related Occupations (35-0000)	39	5.4%	62	8.0%	59	7.3%	334	5.6%
Healthcare Practitioners and Technical Occupations (29-0000)	21	2.9%	22	2.9%	31	3.8%	153	2.6%
Healthcare Support Occupations (31-0000)	16	2.2v	15	1.9%	18	2.2%	206	3.4%
Homemaker*			17	2.2%	57	7.0%	703	11.7%
Installation, Maintenance, and Repair Occupations (49-0000)	44	6.1%	39	5.1%	41	5.0%	199	3.3%
Legal Occupations (23-0000)	1	.1%	4	.5%	6	.7%	52	.9%
Life, Physical, and Social Science Occupations (19-0000)			4	.5%	2	.2%	41	.7%

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Management Occupations (11-0000)	49	6.8%	37	4.8%	38	4.7%	326	5.4%
Military Specific Occupations (55-0000)								
Office and Administrative Support Occupations (19-0000)	163	22.6%	148	19.2%	147	18.1%	956	15.9%
Personal Care and Service Occupations (39-0000)	17	2.4%	23	3.0%	21	2.6%	234	3.9%
Production Occupations (51-0000)	47	6.5%	63	8.2%	62	7.6%	399	6.7%
Protective Service Occupations (33-0000)	8	1.1%	9	1.2%	10	1.2%	58	1.0%
Randolph-Sheppard vending facility clerk*	3	.4%					1	.0%
Randolph-Sheppard vending facility operator*	21	2.9%	21	2.7%	13	1.6%	60	1.0%
Sales and Related Occupations (41-0000)	59	8.2%	79	10.2%	73	9.0%	407	6.8%
Transportation and Material Moving Occupations (53-0000)	27	3.7%	31	4.0%	32	3.9%	245	4.1%
Unpaid Family Worker*							5	.1%
Total employment outcomes	721	100.0%	771	100.0%	813	100.0%	5,993	100.0%

Data source: RSA-911

Note: Occupations marked with an asterisk are VR specific occupations and are not part of the SOC.

Table 3.5.b FL-B Median Hourly Earnings for Individuals with Employment Outcomes by SOC - FYs2014-2016

SOC	2014 Number	2015 Number	2016 Number	2016 National Agency Type Number
Architecture and Engineering Occupations (17-0000)	\$16.65	\$30.39	\$19.00	\$21.81
Arts, Design, Entertainment, Sports, and Media (27-0000)	\$10.00	\$15.63	\$15.00	\$14.32
Building and Grounds Cleaning and Maintenance (37-0000)	\$10.00	\$9.34	\$9.50	\$9.50
Business and Financial Operations Occupations (13-0000)	\$16.58	\$13.85	\$17.30	\$17.00
Community and Social Services Occupations (21-0000)	\$15.00	\$15.85	\$13.04	\$16.96
Computer and Mathematical Occupations (15-0000)	\$17.50	\$15.16	\$13.00	\$20.00
Constructive and Extraction Occupations (47-0000)	\$12.00	\$12.50	\$15.00	\$13.00
Education, Training, and Library Occupations (25-0000)	\$14.43	\$13.94	\$16.25	\$16.13
Farming, Fishing, and Forestry Occupations(45-0000)	\$9.25	\$10.44	\$10.39	\$10.20
Food Preparation and Serving Related Occupations (35-0000)	\$8.29	\$9.24	\$9.00	\$9.00
Healthcare Practitioners and Technical Occupations (29-0000)	\$15.00	\$12.00	\$13.00	\$19.70
Healthcare Support Occupations (31-0000)	\$10.75	\$11.00	\$10.00	\$10.31
Homemaker*				

SOC	2014 Number	2015 Number	2016 Number	2016 National Agency Type Number
Installation, Maintenance, and Repair Occupations (49-0000)	\$10.00	\$9.50	\$9.53	\$10.50
Legal Occupations (23-0000)	\$16.00	\$12.80	\$16.71	\$27.40
Life, Physical, and Social Science Occupations (19-0000)		\$26.73	\$36.06	\$21.35
Management Occupations (11-0000)	\$10.00	\$15.70	\$15.94	\$16.93
Military Specific Occupations (55-0000)				
Office and Administrative Support Occupations (19-0000)	\$10.00	\$10.00	\$10.00	\$11.00
Personal Care and Service Occupations (39-0000)	\$8.00	\$8.53	\$9.50	\$9.45
Production Occupations (51-0000)	\$9.64	\$9.00	\$9.25	\$9.53
Protective Service Occupations (33-0000)	\$9.85	\$10.00	\$19.64	\$11.00
Randolph-Sheppard vending facility clerk*	\$8.00			\$8.00
Randolph-Sheppard vending facility operator*	\$11.43	\$12.69	\$14.44	\$15.00
Sales and Related Occupations (41-0000)	\$8.77	\$10.00	\$10.80	\$10.00
Transportation and Material Moving Occupations (53-0000)	\$10.00	\$11.25	\$10.00	\$11.00
Unpaid Family Worker*				
Total employment outcomes	\$10.00	\$10.20	\$10.50	\$11.55

Data source: RSA-911

Note: Occupations marked with an asterisk are VR specific occupations and are not part of the SOC.

Table 4.1 (FL-B) Case Status Information, Outcomes, and Quality Employment Measures for Individuals with Disabilities under Age 25 at Exit—FFYs 2014–2016

Individuals with Disabilities under Age 25 at Exit	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016	2016 National Agency Type Number	2016 National Agency Type Percent
Total cases closed	218		223		299		1711	
Exited as an applicant	48	22.02%	48	21.52%	89	29.77%	374	21.86%
Exited during or after trial work experience/extended evaluation	1	0.46%		0.00%		0.00%	10	0.58%
Exited without employment after IPE, before services	14	6.42%	3	1.35%	6	2.01%	25	1.46%
Exited from order of selection waiting list		0.00%		0.00%		0.00%	1	0.06%
Exited without employment after eligibility, before IPE	9	4.13%	12	5.38%	19	6.35%	233	13.62%
Exited with employment	50	22.94%	54	24.22%	56	18.73%	518	30.27%
Exited without employment	96	44.04%	106	47.53%	129	43.14%	550	32.14%
Employment rate	34.25%		33.75%		30.27%		48.50%	
Supported employment outcomes	0	0.00%	0	0.00%	0	0.00%	23	4.44%

Individuals with Disabilities under Age 25 at Exit	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016	2016 National Agency Type Number	2016 National Agency Type Percent
Competitive employment outcomes	49	98.00%	53	98.15%	55	98.21%	501	96.72%
Average hourly earnings for competitive employment outcomes	\$11.76		\$15.76		\$11.18		\$13.05	
Average hours worked per week for competitive employment outcomes	28.04		29.15		27.49		31.42	
Competitive employment outcomes at 35 or more hours per week	16	32.00%	22	40.74%	18	32.14%	240	46.33%
Competitive employment outcomes meeting SGA	11	22.00%	14	25.93%	15	26.79%	185	35.71%
Competitive employment outcomes with employer-provided medical insurance	2	4.00%	6	11.11%	9	16.07%	132	25.48%

Table 4.2.a (FL-B) VR Services for Individuals with Disabilities under Age 25 at Exit- FFYs 2014-2016

Training Services	2014	2014 Percent	2015	2015 Percent	2016	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Total number of individuals served	146		160		185		1,066	
College or university training	0	0.00%	0	0.00%	0	0.00%	27	2.50%

Training Services	2014	2014 Percent	2015	2015 Percent	2016	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Four-year or university training	11	7.50%	13	8.10%	42	22.70%	330	31.00%
Junior or community college training	0	0.00%	0	0.00%	0	0.00%	94	8.80%
Occupational or vocational training	53	36.30%	100	62.50%	96	51.90%	273	25.60%
On-the-job training	1	0.70%	4	2.50%	2	1.10%	56	5.30%
Apprenticeship training	0	0.00%	0	0.00%	0	0.00%	3	0.30%
Basic academic remedial or literacy training	0	0.00%	0	0.00%	1	0.50%	55	5.20%
Job readiness training	31	21.20%	82	51.30%	91	49.20%	276	25.90%
Disability-related skills training	45	30.80%	109	68.10%	118	63.80%	576	54.00%
Miscellaneous training	21	14.40%	44	27.50%	51	27.60%	260	24.40%
Assessment	61	41.80%	113	70.60%	149	80.50%	777	72.90%
Diagnosis and treatment of impairment	63	43.20%	129	80.60%	127	68.60%	563	52.80%
Vocational rehab counseling and guidance	74	50.70%	160	100.00%	184	99.50%	898	84.20%
Job search assistance	43	29.50%	63	39.40%	47	25.40%	165	15.50%
Job placement assistance	34	23.30%	25	15.60%	17	9.20%	183	17.20%
On-the-job supports-short term	3	2.10%	33	20.60%	39	21.10%	178	16.70%
On-the-job supports-SE	0	0.00%	0	0.00%	0	0.00%	49	4.60%
Information and referral services	18	12.30%	62	38.80%	46	24.90%	188	17.60%
Benefits counseling	0	0.00%	0	0.00%	0	0.00%	30	2.80%

Training Services	2014	2014 Percent	2015	2015 Percent	2016	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Customized employment services	0	0.00%	0	0.00%	0	0.00%	7	0.70%
Transportation	66	45.20%	126	78.80%	150	81.10%	565	53.00%
Maintenance	68	46.60%	122	76.30%	147	79.50%	518	48.60%
Rehabilitation technology	67	45.90%	144	90.00%	165	89.20%	765	71.80%
Reader services	1	0.70%	2	1.30%	2	1.10%	38	3.60%
Interpreter services	0	0.00%	1	0.60%	5	2.70%	33	3.10%
Personal attendant services	0	0.00%	1	0.60%	3	1.60%	30	2.80%
Technical assistance services	8	5.50%	15	9.40%	1	0.50%	12	1.10%
Other services	8	5.50%	10	6.30%	101	54.60%	571	53.60%

Table 4.3.a FL-B Outcomes by Type of Impairment for Individuals with Disabilities under Age 25 at Exit- FFYs 2014-2016

Type of Impairment	2014	2014 Percent	2015	2015 Percent	2016	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Visual - Employment outcomes	46	100.00%	50	100.00%	56	100%	509	99.41%
Visual - Without employment	87	100.00%	101	100.00%	129	100%	547	99.82%

Type of Impairment	2014	2014 Percent	2015	2015 Percent	2016	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
outcomes								
Auditory and Communicative - Employment outcomes								
Auditory and Communicative - Without employment outcomes								
Physical - Employment outcomes							2	0.39%
Physical - Without employment outcomes							1	0.18%
Intellectual and Learning disability - Employment outcomes							1	0.20%
Intellectual and Learning disability - Without employment outcomes								
Psychosocial and psychological - Employment outcomes								
Psychosocial and psychological - Without employment outcomes								
Total served - Employment outcomes	46	100%	50	100%	56	100%	512	100%
Total served - Without employment outcomes	87	100%	101	100%	129	100%	548	100%

Table 4.3.b FL-B All Individuals Served by Type of Impairment for Individuals with Disabilities under Age 25 at Exit- FFYs 2014-2016

Type of Impairment	2014	2014 Percent	2015	2015 Percent	2016	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Visual - Individuals served	133	100.00%	151	100.00%	185	100%	1,056	99.06%
Auditory and Communicative - Individuals served								
Physical - Individuals served							3	0.28%
Intellectual and Learning disability - Individuals served							1	0.09%
Psychosocial and psychological								
Total individuals served	133	100%	151	100.0%	185	100.0%	1,066	100.00%

Table 4.3.c FL-B Employment Rate by Type of Impairment for Individuals with Disabilities under Age 25 at Exit- FFYs 2014-2016

Type of Impairment	2014	2015	2016	2016 National Agency Type Percent
Visual - Employment rate	34.60%	33.10%	30.30%	48.20%
Auditory and Communicative - Employment rate				

Type of Impairment	2014	2015	2016	2016 National Agency Type Percent
Physical - Employment rate				66.67%
Intellectual and Learning disability - Employment rate				100.00%
Psychosocial and psychological – Employment rate				
Total served - Employment rate	34.20%	33.80%	30.30%	48.30%

Table 4.4.a FL-B Elapsed Time from Application to Eligibility for Individuals with Disabilities under Age 25 at Exit—FFYs 2014–2016

Elapsed Time	2014	2014	2015	2015	2016	2016	National Agency Type Number	National Agency Type Percent
0 – 60 days	144	85.21%	149	85.14%	188	89.52%	1136	86.45%
61 – 90 days	15	8.88%	12	6.86%	12	5.71%	75	5.71%
91 – 120 days	4	2.37%	6	3.43%	6	2.86%	37	2.82%
121 – 180 days	4	2.37%	6	3.43%	3	1.43%	32	2.44%
181 – 365 days	2	1.18%		0.00%	1	0.48%	17	1.29%
More than 1 year		0.00%	2	1.14%		0.00%	17	1.29%
Total eligible	169		175		210		1314	

Table 4.4.b FL-B Elapsed Time from Eligibility to IPE for Individuals with Disabilities under Age 25 at Exit Served—FFYs 2014–2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 3 months	137	93.84%	154	96.25%	182	98.38%	724	67.79%
4-6 months	4	2.74%	2	1.25%	3	1.62%	107	10.02%
7-9 months	3	2.05%		0.00%		0.00%	45	4.21%
10-12 months		0.00%	1	0.63%		0.00%	26	2.43%
More than 12 months	2	1.37%	3	1.88%		0.00%	166	15.54%
Total served	146		160		185		1068	

Table 4.4.c FL-B Elapsed Time from IPE to Closure for Individuals with Disabilities under Age 25 at Exit Served—FFYs 2014–2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 3 months	2	1.37%	3	1.88%	5	2.70%	16	1.51%

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
4 – 6 months	8	5.48%	8	5.00%	12	6.49%	56	5.29%
7 – 9 months	7	4.79%	9	5.63%	16	8.65%	67	6.33%
10 – 12 months	11	7.53%	9	5.63%	10	5.41%	46	4.34%
13 - 24 months	30	20.55%	25	15.63%	25	13.51%	158	14.92%
25 – 36 months	23	15.75%	22	13.75%	18	9.73%	128	12.09%
37 – 60 months	27	18.49%	27	16.88%	30	16.22%	179	16.90%
More than 5 years	38	26.03%	57	35.63%	69	37.30%	409	38.62%
More than 10 years		0.00%		0.00%		0.00%		0.00%
Total served	146		160		185		1059	

Table 4.5.a FL-B Standard Occupational Classification (SOC) Codes for Individuals with Disabilities under Age 25 at Exit Served with Employment Outcomes—FFYs 2014–2016

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Architecture and Engineering	1	2.00%		0.00%		0.00%	7	1.35%

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Occupations (17-0000)								
Arts, Design, Entertainment, Sports, and Media (27-0000)		0.00%	2	3.70%	2	3.57%	32	6.19%
Building and Grounds Cleaning and Maintenance (37-0000)	1	2.00%	1	1.85%		0.00%	19	3.68%
Business and Financial Operations Occupations (13-0000)	3	6.00%		0.00%	2	3.57%	18	3.48%
Community and Social Services Occupations (21-0000)	3	6.00%	2	3.70%	1	1.79%	12	2.32%
Computer and Mathematical Occupations (15-0000)	1	2.00%	1	1.85%		0.00%	19	3.68%
Constructive and Extraction Occupations (47-0000)		0.00%		0.00%		0.00%	7	1.35%
Education, Training, and Library Occupations (25-	2	4.00%	3	5.56%	4	7.14%	42	8.12%

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0000)								
Farming, Fishing, and Forestry Occupations (45- 0000)		0.00%		0.00%		0.00%	3	0.58%
Food Preparation and Serving Related Occupations (35- 0000)	6	12.00%	10	18.52%	6	10.71%	37	7.16%
Healthcare Practitioners and Technical Occupations (29- 0000)	2	4.00%	2	3.70%	2	3.57%	16	3.09%
Healthcare Support Occupations (31- 0000)	1	2.00%		0.00%	1	1.79%	13	2.51%
Homemaker*		0.00%		0.00%	1	1.79%	15	2.90%
Installation, Maintenance, and Repair Occupations (49-0000)	1	2.00%	5	9.26%	5	8.93%	18	3.48%
Legal Occupations (23-0000)	1	2.00%	1	1.85%		0.00%	3	0.58%
Life, Physical, and Social Science Occupations (19- 0000)		0.00%		0.00%		0.00%	6	1.16%

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Management Occupations (11-0000)	5	10.00%	3	5.56%	4	7.14%	17	3.29%
Military Specific Occupations (55-0000)		0.00%		0.00%		0.00%		0.00%
Office and Administrative Support Occupations (43-0000)	13	26.00%	9	16.67%	8	14.29%	99	19.15%
Personal Care and Service Occupations (39-0000)		0.00%	2	3.70%	2	3.57%	33	6.38%
Production Occupations (51-0000)	2	4.00%	5	9.26%	7	12.50%	31	6.00%
Protective Service Occupations (33-0000)		0.00%		0.00%	1	1.79%	3	0.58%
Randolph-Sheppard Vending Facility Clerk*		0.00%		0.00%		0.00%		0.00%
Randolph-Sheppard Vending Facility Operator*		0.00%	1	1.85%		0.00%	2	0.39%
Sales and Related Occupations (41-0000)	4	8.00%	5	9.26%	9	16.07%	48	9.28%

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Transportation and Material Moving Occupations (53- 0000)	4	8.00%	2	3.70%	1	1.79%	17	3.29%
Unpaid Family Worker*		0.00%		0.00%		0.00%		0.00%
Total employment outcomes	50		54		56		517	

Table 4.5.b FL-B Standard Occupational Classification (SOC) Codes Median Hourly Earnings for Individuals with Disabilities under Age 25 at Exit Served with Employment Outcomes—FFYs 2014–2016

SOC	2014	2015	2016	2016 National Agency Type
Architecture and Engineering Occupations (17-0000)	\$16.00			\$16.00
Arts, Design, Entertainment, Sports, and Media (27-0000)		\$91.67	\$14.00	\$14.37
Building and Grounds Cleaning and Maintenance (37-0000)	\$8.00	\$10.00		\$9.55
Business and Financial Operations Occupations (13-0000)	\$10.00		\$18.44	\$16.59
Community and Social Services Occupations (21-0000)	\$11.00	\$9.76	\$10.00	\$16.02
Computer and Mathematical Occupations (15-0000)	\$12.03	\$30.13		\$21.15
Constructive and Extraction Occupations (47-0000)				\$9.00
Education, Training, and Library Occupations (25-0000)	\$35.00	\$12.05	\$10.30	\$11.56
Farming, Fishing, and Forestry Occupations (45-0000)				\$9.00
Food Preparation and Serving Related Occupations (35-0000)	\$7.87	\$8.50	\$8.75	\$8.53
Healthcare Practitioners and Technical Occupations (29-0000)	\$12.96	\$50.13	\$13.50	\$13.33
Healthcare Support Occupations (31-0000)	\$14.43		\$10.00	\$10.25
Homemaker*			\$5.00	
Installation, Maintenance, and Repair Occupations (49-	\$8.50	\$8.04	\$10.50	\$10.00

SOC	2014	2015	2016	2016 National Agency Type
0000)				
Legal Occupations (23-0000)	\$16.00	\$16.00		\$12.38
Life, Physical, and Social Science Occupations (19-0000)				\$13.71
Management Occupations (11-0000)	\$12.50	\$13.45	\$17.89	\$17.50
Military Specific Occupations (55-0000)				
Office and Administrative Support Occupations (43-0000)	\$8.50	\$10.00	\$9.75	\$10.00
Personal Care and Service Occupations (39-0000)		\$8.50	\$14.87	\$9.00
Production Occupations (51-0000)	\$8.00	\$13.00	\$8.07	\$8.75
Protective Service Occupations (33-0000)			\$20.85	\$13.00
Randolph-Sheppard Vending Facility Clerk*				
Randolph-Sheppard Vending Facility Operator*		\$14.38		\$13.82
Sales and Related Occupations (41-0000)	\$8.15	\$8.96	\$10.00	\$9.50
Transportation and Material Moving Occupations (53-0000)	\$8.00	\$8.75	\$8.05	\$9.00
Unpaid Family Worker*				
Total employment outcomes	\$8.63	\$9.51	\$10.00	\$10.00

Table 4.6 FL-B Source of Referral Codes for Individuals with Disabilities under Age 25 at Exit—FFYs 2014–2016

Referral Sources	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
American Indian VR Services Program		0.00%		0.00%		0.00%	1	0.06%
Centers for Independent Living		0.00%		0.00%		0.00%	2	0.12%
Child Protective Services		0.00%		0.00%		0.00%		0.00%
Community Rehabilitation Programs	8	3.67%	7	3.14%	8	2.68%	31	1.83%
Consumer Organizations or Advocacy Groups		0.00%		0.00%		0.00%	3	0.18%
Educational Institutions (elementary/secondary)	29	13.30%	40	17.94%	40	13.38%	440	25.97%
Educational Institutions (post-secondary)	4	1.83%	5	2.24%	5	1.67%	53	3.13%
Employers		0.00%		0.00%	1	0.33%	3	0.18%
Faith Based Organizations		0.00%		0.00%		0.00%		0.00%
Family/Friends	34	15.60%	33	14.80%	43	14.38%	128	7.56%
Intellectual and Developmental Disabilities Providers		0.00%		0.00%		0.00%	1	0.06%
Medical Health Provider (Public or Private)	44	20.18%	42	18.83%	54	18.06%	158	9.33%
Mental Health Provider (Public or Private)		0.00%		0.00%		0.00%	24	1.42%

Referral Sources	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
One-stop Employment/Training Centers		0.00%	1	0.45%		0.00%	3	0.18%
Other Sources	6	2.75%	10	4.48%	11	3.68%	229	13.52%
Other State Agencies	1	0.46%	1	0.45%	6	2.01%	25	1.48%
Other VR State Agencies	6	2.75%	4	1.79%	9	3.01%	127	7.50%
Public Housing Authority		0.00%		0.00%		0.00%		0.00%
Self-referral	84	38.53%	80	35.87%	120	40.13%	452	26.68%
Social Security Administration (Disability Determination Service or District office)	1	0.46%		0.00%	2	0.67%	5	0.30%
State Department of Correction/Juvenile Justice	1	0.46%		0.00%		0.00%		0.00%
State Employment Service Agency		0.00%		0.00%		0.00%	1	0.06%
Veteran's Administration		0.00%		0.00%		0.00%		0.00%
Welfare Agency (State or local government)		0.00%		0.00%		0.00%	8	0.47%
Worker's Compensation		0.00%		0.00%		0.00%		0.00%

Table 4.7FL-B Reason for Closure Codes for Individuals with Disabilities under Age 25 at Exit—FFYs 2014–2016

Reason for Closure	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Achieved employment outcome	50	24.27%	54	25.59%	56	19.72%	518	33.94%
Unable to locate or contact	80	38.83%	85	40.28%	91	32.04%	421	27.59%
Transportation not feasible or available		0.00%		0.00%		0.00%	2	0.13%
Does not require VR services	9	4.37%	2	0.95%	10	3.52%	30	1.97%
Extended services not available		0.00%		0.00%		0.00%		0.00%
All other reasons	8	3.88%	2	0.95%	7	2.46%	150	9.83%
Extended employment		0.00%		0.00%		0.00%	1	0.07%
Individual in institution, other than a prison or jail	1	0.49%	1	0.47%		0.00%	3	0.20%
Individual is incarcerated in a prison or jail		0.00%		0.00%		0.00%	4	0.26%
Disability too significant to benefit from VR services	10	4.85%	7	3.32%	14	4.93%	25	1.64%
No longer interested in receiving services or further services	48	23.30%	58	27.49%	105	36.97%	361	23.66%
Death			2		1		11	0.72%

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**Fiscal Data Tables for Focus Area VI
State Vocational Rehabilitation Services Program
Federal Fiscal Year (FFY) 2017
Monitoring and Technical Assistance Guide**

Table 6.1 Florida-Division of Blind Services (FDBS) VR Resources and Expenditures—FFYs 2014–2016

VR Resources and Expenditures	2014	2015	2016*
Total program expenditures	\$37,124,634	\$37,533,626	\$20,458,526
Federal expenditures	\$29,113,508	\$29,518,114	\$12,029,173
State agency expenditures (4 th quarter)	\$8,011,988	\$8,014,978	\$8,429,353
State agency expenditures (latest/final)	\$8,011,126	\$8,015,512	\$8,429,353
Federal formula award amount	\$29,113,508	\$29,518,114	\$31,123,512
MOE penalty from prior year	\$0	\$0	\$0
Federal award amount relinquished during reallocation	\$0	\$0	\$0
Federal award amount received during reallocation	\$0	\$0	\$0
Federal funds transferred from State VR agency	\$0	\$0	\$0
Federal funds transferred to State VR agency	\$0	\$0	\$0
Federal award amount (net)	\$29,113,508	\$29,518,114	\$31,123,512
Federal award funds deobligated	\$0	\$0	\$0
Federal award funds used	\$29,113,508	\$29,518,114	\$31,123,512
Percent of formula award amount used	100.00%	100.00%	100.00%
Federal award funds matched but not used	\$0	\$0	\$0

* Indicates the award is currently in an open status. Therefore, data is either not currently available or not final.

Table 6.1 Florida-Division of Blind Services (FDBS) VR Resources and Expenditures—Descriptions, Sources and Formulas

VR Resources and Expenditures	Source/Formula
Total program expenditures	The sum of the Federal and non-Federal expenditures. Source/Formula: Table 6.1: Federal expenditures plus State expenditures (latest/final)
Federal expenditures	The cumulative amount of disbursements from Federal funds. Source/Formula: SF-425 line 10e from latest/final report
State expenditures (4 th quarter)	The cumulative amount of disbursements and unliquidated obligations from State funds through September 30 th of the award period. Source/Formula: SF-425 line 10j from 4 th quarter report
State expenditures (latest/final)	The cumulative amount of disbursements and unliquidated obligations from State funds as reported on the agency’s latest or final SF-425 report. Final reports do not include unliquidated obligations. Source/Formula: SF-425 line 10j from latest/final report
Federal formula award amount	The amount of the Federal funds available to the agency based on the formula mandated in the Rehabilitation Act. Formula/Source: Federal formula award calculation
MOE penalty from prior year	The amount of the Maintenance of Effort (MOE) deficit from the previous FFY which resulted in a MOE penalty against the current FFY. Source/Formula: Table 6.2: MOE difference from prior year
Federal award amount relinquished during reallotment	Amount of Federal award voluntarily relinquished through the reallotment process. Formula/Source: RSA-692
Federal award received during reallotment	Amount of funds received through the reallotment process. Source/Formula: RSA-692
Federal funds transferred from State VR agency	Amount of award funds transferred from State VR agencies (Blind to General or General to Blind). Formula/Source: Agency transfer request documentation
Federal funds transferred to State VR agency	Amount of award funds transferred to State VR agencies (Blind to General or General to Blind). Formula/Source: Agency transfer request documentation
Federal award amount (net)	Federal award amount available after accounting for adjustments to award (e.g., MOE

VR Resources and Expenditures	Source/Formula
	penalties, relinquishment, reallocation and transfers). Formula/Source: Federal formula award calculation, RSA-692, agency documentation, SF-425 : Federal formula calculation minus MOE penalty minus funds relinquished in reallocation plus funds received in reallocation plus funds transferred from agency minus funds transferred to agency
Federal award funds deobligated	Federal award funds deobligated at the request of the agency or as part of the award closeout process. These funds may include matched or unmatched Federal funds. Source/Formula: Agency deobligation request documentation, G5 closeout reports
Federal award funds used	Amount of Federal award funds expended. Source/Formula: Federal formula calculation, RSA-692, agency documentation, SF-425 lesser of the 4 th quarter or latest/final: Federal award amount (net) (calculation above) minus Federal award funds deobligated
Percent Federal formula award used	Percent of Federal formula award funds used. Source/Formula: Federal award funds used (calculation above) divided by Federal formula award amount
Federal award funds matched but not used	This represents unused Federal award funds for which the agency provided match. Source/Formula: Table 6.2 Federal award funds matched (actual) minus Table 6.1 Federal award funds used

Table 6.2 Florida-Division of Blind Services (FDBS) Non-Federal Share and Maintenance of Effort—FFYs 2014–2016

Non-Federal Share (Match) and Maintenance of Effort (MOE)	2014	2015	2016*
Match required per net award amount	\$7,879,514	\$7,989,019	\$8,423,517
Match provided (actual)	\$8,011,126	\$8,014,978	\$8,429,353
Match difference**	-\$131,612	-\$25,959	-\$5,836
Federal funds matched (actual)	\$29,113,508	\$29,518,114	\$31,123,512
Percent Federal funds matched	100.00%	100.00%	100.00%
Match from State appropriation	\$7,396,772	\$7,415,047	\$7,926,524
Percent match from State appropriation	92.33%	92.51%	94.03%
Match from Third-Party Cooperative Arrangements (TPCA)	\$0	\$0	\$0
Percent match from TPCAs	0.00%	0.00%	0.00%
Match from Randolph-Sheppard program	\$614,354	\$599,931	\$502,829
Percent match from Randolph-Sheppard Program	7.67%	7.49%	5.97%
Match from interagency transfers	\$0	\$0	\$0
Percent match from interagency transfers	0.00%	0.00%	0.00%
Match from other sources	\$0	\$0	\$0
Percent match from other sources	0.00%	0.00%	0.00%
MOE required	\$7,634,169	\$7,947,508	\$8,011,126
MOE: Establishment/construction expenditures	\$0	\$0	\$0
MOE actual	\$8,011,126	\$8,014,978	\$8,429,353
MOE difference**	-\$376,957	-\$67,470	-\$418,227

* Indicates the award is currently in an open status. Therefore, data is either not currently available or not final.

** A positive amount indicates a deficit. A negative amount indicates a surplus.

Table 6.2 Florida-Division of Blind Services (FDBS) Non-Federal Share and Maintenance of Effort—Descriptions, Sources and Formulas

Non-Federal Share (Match) and Maintenance of Effort (MOE)	Source/Formula
Match required per net award amount	Non-Federal funds required based upon the net amount of the Federal award. Source/Formula: (Table 6.1 Federal award amount net divided by 0.787) multiplied by 0.213
Match provided (actual)	Amount of match (non-Federal share) provided, by the agency. Source/Formula: SF-425 line 10j lesser of the 4 th quarter or latest/final
Match difference**	The difference between match required to access the net Federal award funds and the actual amount of match provided by agency. Source/Formula: SF-425 lesser of the 4 th quarter or latest/final: ((Federal formula award amount divided by 0.787) multiplied by 0.213) minus SF-425 line 10j
Federal funds matched (actual)	Total amount of Federal funds the agency was able to match based upon the non-Federal share reported. The maximum amount of Federal funds the agency can access is limited to the Federal grant award amount. Source/Formula: (Match provided actual divided by .213) multiplied by .787
Percent of Federal funds matched	Percent of Federal funds matched. Source/Formula: Federal funds matched divided by Federal award amount net
Match from State appropriation	Match amount from State appropriation. Source/Formula: Data provided by State
Percent match from State appropriation	Match amount from State appropriation expressed as a percentage of total match provided. Source/Formula: Match from State appropriation divided by SF-425 line 10j
Match from TPCAs	Match amount from Third-Party Cooperative Arrangements (TPCAs). Source/Formula: Data provided by State
Percent match from TPCAs	Match amount from Third-Party Cooperative Arrangements (TPCAs) expressed as a percentage of total match provided. Source/Formula: Match from TPCAs divided by SF-425 line 10j

Non-Federal Share (Match) and Maintenance of Effort (MOE)	Source/Formula
Match from Randolph-Sheppard program	Match amount from Randolph-Sheppard program. Source/Formula: Data provided by State
Percent match from Randolph-Sheppard Program	Match amount from Randolph-Sheppard program expressed as a percentage of total match provided. Source/Formula: Match from Randolph-Sheppard Program divided by SF-425 line 10j
Match from interagency transfers	Match amount from interagency transfers. Source/Formula: Data provided by State
Percent match from interagency transfers	Match amount from interagency transfers expressed as a percentage of total match provided. Source/Formula: Match from interagency transfers divided by SF-425 line 10j
Match from other sources	Match amount from all sources of match not previously listed. Source/Formula: Data provided by State
Percent match from other sources	Match amount from all other sources expressed as a percentage of total match provided. Source/Formula: Match from other sources divided by SF-425 line 10j
Maintenance of Effort (MOE) required	Maintenance of effort (MOE) is the level of non-Federal expenditures, minus establishment/construction expenditures for CRPs, established by the State's non-Federal expenditures two years prior, i.e. Recipient Share of Expenditures. Source/Formula: (For FFY two year prior) SF-425 4 th quarter or latest/final report: line 10j minus line 12a. If non-Federal share is added in the prior carryover year, the additional amount is added to the MOE required. If an agency increases their Establishment/Construction expenditures in the prior carryover year, the increase is deducted from the FFY's total non-Federal share for MOE purposes.
MOE: Establishment / construction expenditures	Non-Federal share of expenditures for construction of facilities for community rehabilitation program (CRP) purposes and the establishment of facilities for community rehabilitation purposes. Source/Formula: SF-425 latest/final report: line 12a

Non-Federal Share (Match) and Maintenance of Effort (MOE)	Source/Formula
MOE actual	<p>Non-Federal share provided by agency minus establishment/construction expenditures for CRPs.</p> <p>Source/Formula: SF-425: Match provided actual minus establishment/construction expenditures. NOTE: If non-Federal share is added in the prior carryover year, the additional amount is added to the MOE actual. If an agency increases their Establishment/Construction expenditures in the prior carryover year, the increase is deducted from the FFY's total non-Federal share for MOE purposes.</p>
MOE difference**	<p>The difference between MOE required and the actual MOE provided.</p> <p>Source/Formula: MOE required minus MOE actual</p>

** A positive amount indicates a deficit. A negative amount indicates a surplus.

Table 6.3 Florida-Division of Blind Services (FDBS) Program Income and Carryover—FFYs 2014–2016

Program Income and Carryover	2014	2015	2016*
Program income received	\$61,033	\$512,772	\$528,831
Program income disbursed	\$61,033	\$512,772	\$528,831
Program income transferred	\$61,033	\$512,772	\$276,051
Program income used for VR program	\$0	\$0	\$252,780
Federal grant amount matched	\$29,113,508	\$29,518,114	\$31,123,512
Federal expenditures 9/30	\$13,746,469	\$14,792,842	\$12,029,173
Carryover amount	\$11,708,117	\$10,372,904	\$15,303,714
Carryover as percent of award	40.22%	35.14%	49.17%

* Indicates the award is currently in an open status. Therefore, data is either not currently available or not final.

Table 6.3 Florida-Division of Blind Services (FDBS) Program Income and Carryover—Descriptions, Sources and Formulas

Program Income and Carryover	Source/Formula
Program income received	Total amount of Federal program income received by the grantee. Source/Formula: SF-425 latest/final line 10l
Program income disbursed	Amount of Federal program income disbursed, including transfers. Source/Formula: SF-425 latest/final: line 10m plus line 10n
Program income transferred	Amount of Federal program income transferred to other allowable programs. Source/Formula: SF-425 latest/final: line 12e plus line 12f plus line 12g plus line 12h
Program income used for VR program	Amount of Federal program income utilized for the VR program. Source/Formula: SF-425 latest/final: Program income expended minus program income transferred
Federal grant amount matched	Federal funds an agency is able to draw down based upon on reported non-Federal share not to exceed net award amount. Source/Formula: Table 6.2 Federal funds matched actual
Federal expenditures 9/30	Federal funds expended by 9/30 of the FFY of appropriation. This does not include unliquidated obligations. Source/Formula: SF-425 4 th quarter: line 10e
Carryover amount	The amount of Federal funds matched that the grantee did not liquidate, by 9/30 of the FFY of appropriation. This includes any unliquidated Federal obligations as of 9/30. Source/Formula: G5 Reports run as of 9/30 of the FFY of appropriation.
Carryover as percent of award	Amount of carryover expressed as a percentage of total Federal funds available. Source//Formula: G5, SF-425 latest/final: Carryover amount divided by Federal net award amount.

Table 6.4 Florida-Division of Blind Services (FDBS) RSA-2 Expenditures—FFYs 2014–2016*

RSA-2 Expenditures	2014	2015	2016
Total expenditures	\$35,477,572	\$38,996,856	\$35,102,677
Administrative costs	\$4,843,147	\$5,149,098	\$5,551,449
Administration as Percent expenditures	13.65%	13.20%	15.81%
Purchased services expenditures	\$11,253,131	\$19,756,202	\$16,774,470
Purchased services as a Percent expenditures	31.72%	50.66%	47.79%
Services to groups	\$7,616,959	\$3,226,942	\$2,834,376
Services to groups percentage	21.47%	8.27%	8.07%

*Expenditures for RSA-2 data represent current FFY expenditures and carryover from prior FFY. Therefore, these figures may differ from the expenditures in Tables 6.1, 6.2, and 6.3 which are from SF-425 reports.

Table 6.4 Florida-Division of Blind Services (FDBS) RSA-2 Expenditures—Descriptions, Sources and Formulas*

RSA-2 Expenditures	Sources/Formula
Total expenditures	All expenditures from Federal, State and other rehabilitation funds (including VR, supported employment, program income, and carryover from previous FFY). This includes unliquidated obligations. Source: RSA-2: Schedule 1.4
Administrative costs	Total amount expended on administrative costs under the VR program. Source/Formula: RSA-2: Schedule 1.1
Administration as percent of expenditures	Administrative costs expressed as a percentage of all expenditures. Source/Formula: Administrative costs divided by total expenditures
Purchased services expenditures	Expenditures made for services purchased by the agency. Source/Formula: RSA-2: Schedule 1.2.B
Purchased services as a percent of expenditures	Purchased services expressed as a percentage of total expenditures. Source/Formula: Purchased services expenditures divided by total expenditures
Services to groups	Expenditures made by the agency for the provision of VR services for the benefit of groups of individuals with disabilities. Source/Formula: RSA-2: Schedule 1.3
Services to groups percentage	Services to groups expressed as a percentage of total expenditures. Source/Formula: Services to groups divided by total expenditures

*Expenditures for RSA-2 data represent current FFY expenditures and carryover from prior FFY. Therefore, these figures may differ from the expenditures in Tables 6.1, 6.2, and 6.3 which are from SF-425 reports.

APPENDIX B: DOCUMENTATION REVIEW RESULTS

Data Element	Number with required documentation	Number without required documentation	Percent with required documentation	Percent without required documentation
Date of Application	26	4	87%	13%
Date of Eligibility Determination	27	3	90%	10%
Date of IPE	25	5	83%	17%
Start Date of Employment in Primary Occupation at Exit or Closure	12	2	86%	14%
Weekly Earnings at Exit or Closure	14	0	100%	0%
Employment Status at Exit or Closure	14	0	100%	0%
Type of Exit or Closure	30	0	100%	0%
Date of Exit or Closure	29	1	97%	3%

Summary	Number (of 30)	Percent (of 30)
Files with all required documentation	20	67%
Files with documentation for four or data elements examined	27	90%
Files with no required documentation	0	0%

APPENDIX C: AGENCY RESPONSE

A. Overview

This appendix contains FDBS' responses to recommendations and corrective actions identified in the monitoring, along with FDBS' requests for technical assistance to address them, and RSA's responses, as appropriate.

For corrective actions to improve program and fiscal performance, as well as to improve administration of the VR program, FDBS must develop a corrective action plan for RSA's review and approval that includes specific steps the agency will take to complete each corrective action, the timetable for completing those steps, and the methods the agency will use to evaluate whether the corrective action has been resolved. RSA anticipates that the corrective action plan can be developed and submitted online using the RSA website at rsa.ed.gov within 45 days from the issuance of this report. RSA is available to provide technical assistance to enable FDBS to develop the plan and undertake the corrective actions.

For recommendations to improve program and fiscal performance as well as to improve administration of the VR program, FDBS will report to the review team, on a quarterly basis, progress on the implementation of recommendations.

B. Agency Responses

Recommendations

2.1 Data Accuracy

- 2.1.1 Using the feedback provided during the course of the monitoring process and an internal inspection of the agency's data, identify all areas that may not be entered or coded correctly by staff;
- 2.1.2 Develop a training curriculum to address the proper coding of services and entry of these services in the case management system and provide this training to all staff;
- 2.1.3 Develop internal controls that provide for the inspection and evaluation of the accuracy of all data prior to submission to RSA;
- 2.1.4 Following the inspection of the data using the internal controls process, correct any errors or anomalies identified; and
- 2.1.5 Make the necessary changes to the case management system following the identification of any system or programming errors.

Agency Response:

FDBS agrees with this recommendation and has taken steps to correct this. Many of the incorrect coding issues identified by the RSA review team in the previous pre-WIOA version of the RSA-911 report used for FFY 2014-2016, such as correctly reporting post-secondary education clients, should now be accurately captured with the new RSA-911 data elements. Comparatively, the number of missing Supported Employment cases in our submitted and cleared RSA-911 reports for FFY 2014-2016 is statistically very small. For instance, for FFY 2014 FDBS reported 1,883 closed VR cases and discovered 17 unreported Supported Employment cases which represented less than 1% of our total closed VR cases. For FFY 2015 FDBS reported 1,856 closed VR cases and discovered 28 unreported Supported Employment cases which represented 1.5% of our closed VR cases. For FFY 2016 FDBS reported 2,059 closed VR cases and discovered 21 unreported Supported Employment cases which represented 1% of our closed VR cases.

FDBS will develop a training curriculum to address the proper coding of services and entry of these services in the case management system and provide this training appropriate staff.

FDBS had developed and previously electronically transmitted to RSA staff, prior to the on-site monitoring, an overview of the RSA-911 Internal Process and Procedure FDBS used during FFY 2014-2016. We are attaching this document again as evidence that FDBS had a process and procedures in place to review RSA 911 data errors and anomalies, and a system in place for correcting errors and anomalies before we submitted our RSA-911 reports to RSA. For the new quarterly version of the RSA-911, FDBS MIS utilizes an edit checker software program and also an open source RSA-911 edit checker to identify errors. Counselors and supervisors are e-mailed their errors during a quarterly period and required to correct identified errors.

In addition to the actions already taken, FDBS will form a group comprised of the appropriate staff to perform the following actions:

- Conduct a thorough review of service categories currently specified in the case management system to determine what (if any) changes are necessary to better align with the service categories specified by RSA and which are expected to be reported via the RSA-2 and RSA-911 as well as other various federal reports.
- Conduct a thorough review of the current RSA-911 (2017) System Administration Guide and the RSA-2 (2104) Administration Guide to determine what (if any) changes are needed to the case management system in order to improve the accuracy of the data reported via the RSA-911 and RSA-2 reports. These documents describe how to set-up the case management system to collect the information needed to generate the RSA-911 and RSA-2 reports.
- Conduct additional reviews as needed for future updates to the RSA-911 (2017) System Administration Guide and the RSA-2 (2104) Administration Guide that require additional modifications to the case management system.
- In the absence of any available method provided by RSA to easily examine the RSA-911 file in a readable, easy-to-understand format, develop a method which will allow a more readily accessible examination of data to be reported. While the available edit checkers identify errors to be corrected based on rules in the RSA-911 policy directive, they do not

readily identify other anomalies such as the absence of any Supported Employment cases to be reported. Florida DBS expects that future versions of any available edit checkers will be modified to better identify and report similar data anomalies.

- If Supported Employment funds are accepted by the agency, FDBS will work diligently with Budget and Fiscal personnel to ensure that all federal and non-federal expenditures incurred by the agency in the Supported Employment program are fully and accurately reported on the RSA-2 and SF-425 reports. As part of this process, a standard procedure will be developed to identify these expenditures and this procedure will be implemented for all future reporting.
- Conduct a thorough review of all RSA-911 and RSA-2 reports:
 - Compare current reports to previously submitted reports to identify (and correct if necessary) any significant changes in data to be reported.
 - When appropriate, determine a sufficient sample size and individually spot-check randomly selected cases by comparing data to be reported against data in the case management system to insure the accuracy of the data to be reported.
 - Identify, examine and correct (if necessary) any data anomalies such as the absence of any Supported Employment cases or service categories to be reported.

As noted above, FDBS had developed and previously electronically transmitted to RSA staff, prior to the on-site monitoring review, an overview of the RSA-911 Internal Process and Procedure FDBS used during FFY 2014-2016. We are attaching this document again as evidence that FDBS had a process and procedures in place to review RSA-911 data errors and anomalies, and a system in place for correcting errors and anomalies before we submitted our RSA-911 reports to RSA. For the new quarterly version of the RSA-911, FDBS MIS utilizes an edit checker software program and also an open source RSA-911 edit checker to identify errors. Counselors and supervisors are e-mailed their errors during a quarterly period and are required to correct the identified errors.

In addition to the documents noted above, FDBS will correct any errors or anomalies during the inspection and evaluation of various federal reports for data accuracy before submission to RSA:

- The Florida DBS MIS team will make all necessary modifications to its case management system including coding and configuration changes. In the event that certain coding changes to FDBS' case management system are beyond the control of Florida DBS, the MIS team will coordinate all necessary activities with the vendor to ensure that the appropriate corrective actions are taken in a timely manner.
- Client Services will correct any error or anomalies that are a direct result of invalid data entry into the case management system by staff.
- Following all corrective actions, Florida DBS will regenerate the appropriate report and repeat the corrective process until all errors and anomalies have been remediated.

FDBS will make all necessary modifications to its case management system including coding and configuration changes. In the event that certain coding changes to the case management system are beyond the control of Florida DBS, the MIS team will coordinate all necessary activities with the vendor to ensure that the appropriate corrective actions are taken in a timely manner.

In relation to the Supported Employment data anomalies, FDBS has consulted with the vendor for its case management system and has identified the reason why the case management system was not capturing the Supported Employment case file data. This issue appears to have been present with other states using the same case management system. Corrective action to capture the Supported Employment case file data in the case management system has been on-going and will be completed with an upcoming scheduled update. FDBS is concerned that all plan data was originally submitted to RSA as part of our quarterly and annual reports, and there was no indication that the data was not being received nor recognized by RSA until the onsite monitoring; all FDBS reports had been cleared for the applicable years.

RSA Response: RSA appreciates the efforts underway to improve the agency's internal controls.

2.2 Employment Outcomes

- 2.2.1 Evaluate the reasons eligible individuals are exiting the program without achieving their vocational goal;
- 2.2.2 Evaluate the provision of services and determine whether individuals are receiving the necessary services to achieve quality employment;
- 2.2.3 Following the assessment, establish strategies and goals to address any barriers that may lead to individuals either exiting the program prior to employment or not achieving quality employment; and
- 2.2.4 After implementing strategies and goals to address this issue, develop and provide training to staff, and assess the effect of these changes and modify as necessary.

Agency Response:

FDBS agrees with this recommendation. FDBS is analyzing and will continue to review all data collected its case management system to evaluate the cause and effect of this observation.

While the data reviewed during the monitoring process resulted in the above finding, FDBS notes continued increases in employment outcomes for each of the consecutive periods reviewed during this monitoring. There were 761 successful closures in SFY 2014-15, 841 in SFY 2015-16, and 854 in SFY 2016-17.

FDBS will evaluate the provision of services to determine quality of services. The agency does note that wages generally reflect regional wages consistent with the local economies. The comparison to national wage data may be unrealistic, considering the sectors where many jobs are found. FDBS makes every attempt to place individuals in positions that pay maximum wages.

FDBS will monitor, track, and evaluate service delivery/program activities to ensure FDBS meets the six common performance standards. Upon evaluation, any identified barriers to employment will be addressed via revised policies/procedures and training. FDBS will strengthen, maintain, and implement revised quality improvement plans to ensure FDBS provides high-quality services.

After policies/procedures have been revised, FDBS will develop a training curriculum and provide statewide training to all relevant staff. FDBS will conduct continual monitoring of program activities to assess changes and modify policies/procedures as indicated. FDBS will also capture exemplary practices within the state and from other states. Finally, FDBS will adopt these practices as appropriate and disseminate information throughout the state.

RSA Response: RSA appreciates the efforts being taken to improve the agency's employment outcomes.

3.1 Youth with Disabilities at Exit

- 3.1.1 Develop measurable goals to increase the number of youth with disabilities served, the number who achieve employment outcomes, and the employment rate, along with strategies to achieve these goals; and
- 3.1.2 Analyze and evaluate the competitive employment outcomes achieved by youth with disabilities, including the provision of VR services for youth with disabilities, to determine how FDBS can maximize employment outcomes.

Agency Response:

FDBS agrees with this recommendation. FDBS completed a general fiscal forecast, which included the number of Students with Disabilities (SWDs), including visual impairment, blind, or deaf-blind. Data gathered from PK-20 Education Reporting and Accessibility (PERA), identified 437 SWDs in the 2016-2017 school year. According to the FDBS-VR case management system's data base, FDBS served 385 SWDs ages 14-21 years of age in SFY 2016-2017. This reflects over 91% of the SWDs (visual impairment, blind, or deaf-blind) received services via the DBS VR program in the referenced year. A functional review is completed for high school students who are clients of FDBS. FDBS also participates in transition interaction meetings between multiple agencies, family nights, and transition fairs to get the message to schools regarding FDBS' services for youth.

FDBS has worked with the Workforce Innovation Technical Assistance Center (WINTAC) to develop a new Pre-Employment Transition Services (Pre-ETS) policy to address service delivery to students with disabilities. If the youth is not a student, the youth may receive assistance via transition services, if eligible. Efforts specific to Pre-ETS, continual program enrichment and robust partnerships will have a positive impact on the employment outcomes of youth with disabilities.

Also, FDBS will analyze and evaluate competitive employment outcomes for youth with disabilities per quarter, post-training and with implementation of the new policy. This may include tracking the number of youth identified via the activities referenced by FDBS in the second paragraph above, who contact FDBS for services.

FDBS will monitor, track, and evaluate service delivery/program activities for youth with disabilities to ensure increased competitive employment outcomes. Upon evaluation, any identified barriers to employment will be addressed and methods to maximize employment outcomes will be developed by the QA/QC team.

RSA Response: RSA appreciates the steps being taken to improve the agency's employment outcomes for youth with disabilities.

Corrective Actions to Improve Performance

3.1 Pre-Employment Transition Services to Potentially Eligible Students with Disabilities

- 3.1.1 Make available all required pre-employment transition services activities to students with disabilities throughout the State who are potentially eligible for VR services, regardless of whether or not the student has applied or been determined eligible for VR services; and
- 3.1.2 Ensure that its case management system has the capacity to track and report programmatic and fiscal data for students with disabilities who are potentially eligible to receive pre-employment transition services.

Agency Response:

FDBS agrees with this requirement and has taken the necessary steps to ensure compliance.

The agency is also seeking TA through RSA and WINTAC to ensure that planned actions related to fiscal data fully meet the required actions.

5.1 Personnel Cost Allocation Budget Estimates Not Reconciled

- 5.1.1 Cease charging personnel and fringe expenditures to the VR award based upon budget estimates alone, and ensure interim accounting of budget estimates are reconciled with after-the-fact personnel allocation data; and
- 5.1.2 Revise and implement managerial Personnel Activity Reporting System instructions to correctly allocate personnel costs, including fringe, to the correct funding source based upon an after-the-fact reconciliation of budget estimates consistent with Uniform Guidance.

Agency Response:

FDBS complies with the Florida Department of Education's Substitute Time Distribution System, approved by US Department of Education (USDOE) and implemented July 1, 2013. The Florida Department of Education will consult with USDOE to identify a resolution.

RSA Response: RSA will work with Florida and the Department's indirect cost group, as appropriate, to assist FDBS in the resolution of these corrective actions.

5.2 Prior Approval Not Obtained

- 5.2.1 Develop and implement policies and procedures, as well as a written internal control process, including a monitoring component, to ensure ongoing compliance with the prior approval requirements; and
- 5.2.2 Ensure that any and all purchased client services for which FDBS maintains title that meet the prior approval requirements in 2 CFR §200.407 are submitted to RSA for prior approval requirements, or consider changing its policy regarding its retention of ownership and title for purchased client services subject to these requirements.

Agency Response:

FDBS agrees to come into compliance with this requirement and has taken some steps to do so. FDBS also notes that RSA lacks a formalized process and infrastructure to deal with requests; additionally, RSA does not timely respond to prior approval requests. FDBS has submitted prior approval requests that have taken weeks to receive approval and there are pending requests that were submitted months ago.

In 1995, OSERS published a notice in the Federal Register that prior written approval was no longer required for certain categories of costs for formula grant programs. VR was issued a waiver which remained in place until USDOE's adoption of the Uniform Guidance, EDGAR parts 74 and 80 in 2014. FDBS requests that RSA and the USDOE begin the process to reinstate this waiver for the following reasons:

- This mandate is inconsistent with other laws, including the ADA and many provisions of the Rehabilitation Act and its implementing regulations. State agencies are required to have purchases, including accommodations, made timely. Prior written approval by the federal government delays the purchases.
 - Moreover, RSA's determination that prior approval apply to direct client purchases where the state retains title to the equipment creates additional delays in the receipt of necessary equipment and could lead to policies where clients receive immediate title, but do not fully participate in the rest of the process. FDBS would be unable to reclaim the equipment for other client use, thus resulting in unnecessary additional spending.
 - Prior approval may also specifically conflict with Section 101(a)(2)(B)(ii)(V) of the Rehabilitation Act where the DSU "has the sole authority and responsibility within the designated State agency described in subparagraph (A) to expend funds made available under this title in a manner that is consistent with the purposes of this title."
- The requirement to request prior written approval for activities already authorized by Congress and RSA with the Act and federal regulations creates an unnecessary administrative burden on VR agencies.

- This requirement is inconsistent with President Trump’s Executive Order (EO) 13777 (February 2017) establishing his priority for regulatory reform. “It is the policy of the United States to alleviate unnecessary regulatory burdens place on the American people.”
- There is no guidance regarding the complete list of expense categories that require prior approval.
- There is no form to complete with information required to receive prior approval.
- There is no appeals process to challenge rejected requests.

RSA Response: RSA worked with the Department to issue TAC-18-02 to provide guidance regarding prior approval. The TAC discusses the applicability of the Uniform Guidance prior approval requirements for the State Vocational Rehabilitation (VR) Services Program.

Additionally, the TAC identifies flexibilities for State VR agencies within the parameters of the Uniform Guidance in the form of streamlined procedures for the submission of prior approval requests for certain cost items, specifically those for certain general purpose equipment and participant support costs. RSA encourages FDBS to review and follow the guidance identified within the TAC. TAC-18-02 was issued on April 11, 2018 and became effective on that date. RSA maintains this finding.

5.3 Internal Control Deficiencies

- 5.3.1 Revise and implement written policies or procedures governing the manner in which FDBS will set fees for purchased VR services and pre-employment transition services that are based on reasonable costs established by the agency, as required by 34 CFR §361.50(c)(1);
- 5.3.2 Update and implement policies and procedures to accurately report Federal and non-Federal expenditures on the SF-425 and RSA-2 reports; and
- 5.3.3 Revise and resubmit the SF-425 and RSA-2 reports for FFYs 2015 and 2016 to accurately report Federal and non-Federal Supported Employment expenditures, reconcile the differences, and provide a detailed explanation regarding the RSA-2 expenditure data variances for Supported Employment expenditures on Schedules I and III of the report.

Agency Response:

FDBS agrees with this recommendation and will revise and implement written policies governing the manner in which fees are set for purchased services. FDBS intends to conduct a new cost study to review the manner, methods and rates of its contracted services. FDBS requests intensive TA from RSA and/or the WINTAC with this area.

FDBS also agrees to update and implement policies and procedures to accurately report federal and non-federal expenditures on the SF-425 and RSA-2 reports. FDBS requests intensive TA from RSA and/or the WINTAC with this area.

In addition, FDBS agrees to revise and resubmit the SF-425 and RSA-2 reports for FFYs 2015 and 2016 to accurately report federal and non-federal Supported Employment expenditures, reconcile the differences, and provide a detailed explanation regarding the RSA-2 expenditure

data variances for Supported Employment expenditures on Schedules I and III of the report. FDBS requests intensive TA from RSA and/or the WINTAC with this area.

RSA Response: RSA will work with FDBS to resolve these corrective actions. RSA will coordinate with the WINTAC and FDBS to ensure the agency receives the necessary technical assistance to complete these corrective actions.

6.1 Funding Mechanism for One-Stop Infrastructure Costs Not Consistent with Requirements

- 6.1.1 Retain sole responsibility for its non-delegable functions as a DSU, as required by 34 CFR §361.13;
- 6.1.2 Cease using statutory program caps associated with the State funding mechanism to determine VR infrastructure cost contributions when the State funding mechanism has not been triggered; and
- 6.1.3 Develop and implement procedures to participate in local area negotiations with the LWDBs, chief elected officials, and one-stop partners to develop a local MOU, and in an effort to determine the cost allocation methodology(ies) of calculating amounts each partner will contribute toward one-stop infrastructure costs.

Agency Response:

FDBS agrees with this corrective action [6.1]. FDBS along with the FDOE legal department are addressing the sole responsibility of the non-delegable functions. The designated signature sections of the MOU/IFAs will be modified to change signature authority.

FDBS does not agree that that is a need in regard to this corrective action [6.1.2]. The Unified State Plan that was submitted April of 2016 and approved on June 30, 2016 included the plans of FDBS to establish Infrastructure Funding Agreements with the 24 LWDBs utilizing the statutory minimums. Although the Unified State Plan was approved and plans were in place to move forward with that approach, RSA provided valuable TA while onsite that helped the agency to alter the course. FDBS did not take the steps outlined in draft monitoring. Instead, the agency has worked on a local level to negotiate infrastructure costs with workforce boards. We hereby request further consideration regarding the analysis, and either remove or adjust the basis of the preliminary finding.

FDBS does not agree with this portion of the analysis [6.1.3]. The RSA on-site monitoring occurred during April of 2017, prior to the deadline to fulfill the IFA requirement(s) as outlined in the guidance of WIOA §503(b), which states that Infrastructure Funding Agreements were due by January 1, 2018. The analysis provided is based on a requirement that had not yet surpassed the deadline during the on-site monitoring. We hereby request further consideration regarding the analysis, and either remove or adjust the basis of the preliminary finding(s).

RSA Response: RSA appreciates the efforts FDBS has made to resolve these corrective actions. RSA coordinated with the U.S. Department of Labor and published One-Stop Infrastructure Costs FAQs on the RSA website in FFY 2016 that indicated States and local areas may continue

to negotiate local funding agreements as they have been doing so under Workforce Investment Act (WIA) for purposes of PY 2016. During the on-site visit to Florida RSA heard from agency staff, as well as reviewed local area one-stop MOUs implemented for PY 2016, and learned that instead of negotiating local funding agreements pursuant to WIA, Florida had chosen to implement the new one-stop funding requirements required under WIOA for PY 2016. Therefore, RSA reviewed the PY 2016 MOUs that Florida had implemented within the context of the new one-stop requirements under WIOA, as well as those of the VR program, resulting in the compliance issues identified in finding 6.1. RSA acknowledges FDBS's role in the development of local area MOUs, and has revised the body of the finding to reflect the agency's activities, focusing on the requirements and actions necessary for FDBS to ensure infrastructure cost requirements, and a resulting IFA, are part of the negotiations and MOU development, respectively, in the future. RSA appreciates the work FDBS has completed in an effort to bring PY 2017 and future MOUs into compliance, but the remainder of the finding stands as written. RSA will coordinate with WINTAC and FDBS to ensure the agency receives the necessary technical assistance to complete these corrective actions.

Technical Assistance:

FDBS is grateful for the Technical Assistance provided onsite by RSA. FDBS requests intensive onsite TA from RSA and/or WINTAC for fiscal portions and related to strengthening internal controls related to these areas.